

## **Equipment Leasing and Finance Association's Survey of Economic Activity: Monthly Leasing and Finance Index**

*June New Business Volume Up 4 Percent Year-over-year, Up 34 Percent Month-to-month, Up 9 Percent Year-to-date*

**Washington, DC, July 24, 2015**— The [Equipment Leasing and Finance Association's](#) (ELFA) [Monthly Leasing and Finance Index \(MLFI-25\)](#) (MLFI-25), which reports economic activity from 25 companies representing a cross section of the \$903 billion equipment finance sector, showed their overall new business volume for June was \$9.5 billion, up 4 percent from new business volume in June 2014. Volume was up 34 percent from \$7.1 billion in May. Year to date, cumulative new business volume increased 9 percent compared to 2014.

Receivables over 30 days were 1.1 percent, unchanged from the previous month and up from 0.9 percent the same period in 2014. Charge-offs remained at an all-time low of 0.2 percent for the 16th consecutive month.

Credit approvals totaled 79.4 percent in June, up slightly from 79.2 percent in May. Total headcount for equipment finance companies was up 5.2 percent year over year.

Separately, the **Equipment Leasing & Finance Foundation's Monthly Confidence Index** (MCI-EFI) for July is 62.6, remaining essentially the same as the June index of 63.0.

[ELFA President and CEO William G. Sutton, CAE](#), said, "The level of new business volume at the halfway point in the year is higher than in any similar period since at least the Great Recession. In most sectors, ELFA members report robust performance, in terms of both originations and portfolio quality. Tempering this 'things can't get much better' mantra is a realization that various internal and external influences, including a gradually higher interest rate environment domestically and economic woes experienced by our trading partners in the Eurozone and elsewhere, could well slow the trajectory and velocity of capital spending. Time will tell."

[Daniel P. Dyer, Co-founder and Chief Executive Officer, Marlin Business Services Corp.](#), said, "MLFI-25 new business activity indicates choppy but steady growth over this past year. Market and competitive forces are contributing to a multi-year trend toward lower portfolio net margins. Credit performance remains stable and favorable despite the rise in the competitive environment."

### **About the ELFA's MLFI-25**

The MLFI-25 is the only index that reflects capex, or the volume of commercial equipment financed in the U.S. The MLFI-25 is released globally at 8 a.m. Eastern time from Washington, D.C., each month on the day before the U.S. Department of Commerce releases the [durable goods report](#). The MLFI-25 is a financial indicator that complements the durable goods report and other economic indexes, including the [Institute for Supply Management Index](#), which reports economic activity in the manufacturing sector. Together with the MLFI-25 these reports provide a complete view of the status of productive assets in the U.S. economy: equipment produced, acquired and financed.

The MLFI-25 is a time series that reflects two years of business activity for the 25 companies currently participating in the survey. The latest MLFI-25, including methodology and participants, is available at [www.elfaonline.org/Data/MLFI/](http://www.elfaonline.org/Data/MLFI/).

### **MLFI-25 Methodology**

The ELFA produces the MLFI-25 survey to help member organizations achieve competitive advantage by providing them with leading-edge research and benchmarking information to support strategic business decision making.

The MLFI-25 is a barometer of the trends in U.S. capital equipment investment. Five components are included in the survey: new business volume (originations), aging of receivables, charge-offs, credit approval ratios, (approved vs. submitted) and headcount for the equipment finance business.

The MLFI-25 measures monthly commercial equipment lease and loan activity as reported by participating ELFA member equipment finance companies representing a cross section of the equipment finance sector, including small ticket, middle-market, large ticket, bank, captive and independent leasing and finance companies. Based on hard survey data, the responses mirror the economic activity of the broader equipment finance sector and current business conditions nationally.

#### **About ELFA**

The Equipment Leasing and Finance Association (ELFA) is the trade association that represents companies in the \$903 billion equipment finance sector, which includes financial services companies and manufacturers engaged in financing capital goods. ELFA members are the driving force behind the growth in the commercial equipment finance market and contribute to capital formation in the U.S. and abroad. Its 580 members include independent and captive leasing and finance companies, banks, financial services corporations, broker/packageers and investment banks, as well as manufacturers and service providers. For more information, please visit [www.elfaonline.org](http://www.elfaonline.org).

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ELFA is the premier source for statistics and analyses concerning the equipment finance sector. Please visit [www.elfaonline.org/Data/](http://www.elfaonline.org/Data/) for additional information.

The **Equipment Leasing & Finance Foundation** is a 501c3 non-profit organization dedicated to inspiring thoughtful innovation and contributing to the betterment of the equipment leasing and finance industry. Funded through charitable individual and corporate donations, the Foundation focuses on the development of in-depth, independent research and resources for the advancement of equipment finance industry knowledge. Visit the Foundation online at [www.LeaseFoundation.org](http://www.LeaseFoundation.org).

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