

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

July New Business Volume Up 4 Percent Year-over-year,
Down 14 Percent Month-to-month, Up 8 Percent Year-to-date

Washington, DC, August 25, 2015— The [Equipment Leasing and Finance Association's](#) (ELFA) [Monthly Leasing and Finance Index \(MLFI-25\)](#), 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 July was \$8.2 billion, up 4 percent from new business volume in July 2014. Volume was down 14 percent from \$9.5 billion in June. Year to date, cumulative new business volume increased 8 percent compared to 2014.

Receivables over 30 days were 1.0 percent, down slightly from 1.1 percent the previous month and unchanged from the same period in 2014. Charge-offs remained at an all-time low of 0.2 percent for the 17th consecutive month.

Credit approvals totaled 79.0 percent in July, down slightly from 79.4 percent in June. Total headcount for equipment finance companies was up 5.4 percent year over year.

Separately, the Equipment Leasing & Finance Foundation's Monthly Confidence Index (MCI-EFI) for August is 67.4, an increase from the July index of 62.6.

[ELFA President and CEO William G. Sutton, CAE](#), said, "The consensus forecast for the second half of 2015 is for the U.S. to show modest, if not robust, economic growth. July MLFI-25 data provide evidence of this narrative, in terms of originations, credit quality and headcount. Despite economic headwinds in parts of Europe and China, as well as constant chatter about a looming interest rate hike by the Fed, U.S. businesses in many sectors are investing steadily in productive assets, in the process relying on financing solutions for these equipment acquisitions. Hopefully, this trend continues for the balance of the year."

[Harry Kaplun, President, Specialty Finance, Frost Bank](#), said, "The MLFI-25 continues to support the strength in the equipment finance industry. Growing employment, minimal losses and high approval rates are all indicative of a favorable business climate."

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/

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/packagegers and investment banks, as well as manufacturers and service providers. For more information, please visit 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/ 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.

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