

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

September New Business Volume Up 18 Percent Year-over-year, 9 Percent Month-over-month and 5 Percent Year-to-date

Washington, DC, October 23, 2019—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 \$1 trillion equipment finance sector, showed their overall new business volume for September was \$10 billion, up 18 percent year-over-year from new business volume in September 2018. Volume was up 9 percent month-to-month from \$9.2 billion in August. Year to date, cumulative new business volume was up 5 percent compared to 2018.

Receivables over 30 days were 1.70 percent, down from 2.0 percent the previous month and up from 1.60 percent the same period in 2018. Charge-offs were 0.40 percent, down from 0.42 percent the previous month, and unchanged from the year-earlier period.

Credit approvals totaled 76.3 percent, down from 76.6 percent in August. Total headcount for equipment finance companies was down 2.1 percent year-over-year.

Separately, the Equipment Leasing & Finance Foundation's Monthly Confidence Index (MCI-EFI) in October is 51.4, down from the September index of 54.7.

[ELFA President and CEO Ralph Petta](#) said, "September data reflect solid performance on the part of equipment finance companies participating in the MLFI-25 survey. Another month of relatively strong fundamentals in the U.S. economy creates a favorable environment for businesses to continue to grow and expand, driving the equipment finance industry forward. Consumer spending continues to fuel the economy, notwithstanding signs of caution and concern raised by some over the impact of trade frictions with China, a pull-back in the U.S. manufacturing sector and recent geopolitical events in Syria, Hong Kong and elsewhere."

[Michael DiCecco, Executive Vice President, Huntington Asset Finance](#), said, "Growth of 18 percent in new business volume on a year-over-year basis for September and 5 percent year-to-date demonstrates the strength of the industry and confidence that businesses had over the last 9-12 months to invest in equipment. However, it is important to note that the Foundation's Confidence Index is showing a downward trend over the last three months and is now at the lowest level since 2016, reflecting a more cautious outlook on the strength of the economy heading into 2020."

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

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 \$1 trillion 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 575 members include independent and captive leasing and finance companies, banks, financial services corporations, broker/package 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 that propels the equipment finance sector—and its people—forward through industry specific knowledge, intelligence, and programs that contribute to industry innovation, individual careers, and the

overall betterment of the equipment leasing and finance industry. The Foundation is funded through individual and corporate donations. Learn more at www.leasefoundation.org.

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