

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

March New Business Volume Up 14 Percent Year-over-year, 49 Percent Month-to-month, 5 Percent Year-to-date

Washington, DC, April 25, 2022—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 \$900 billion equipment finance sector, showed their overall new business volume for March was \$10.6 billion, up 14 percent year-over-year from new business volume in March 2021. Volume was up 49 percent month-to-month from \$7.1 billion in February. Year-to-date, cumulative new business volume was up 5 percent compared to 2021.

Receivables over 30 days were 1.5 percent, down from 1.7 percent the previous month and down from 1.9 percent in the same period in 2021. Charge-offs were 0.10 percent, up from 0.09 percent the previous month and down from 0.43 percent in the year-earlier period.

Credit approvals totaled 78.3 percent, up from 78.2 percent in February. Total headcount for equipment finance companies was flat year-over-year.

Separately, the Equipment Leasing & Finance Foundation’s Monthly Confidence Index (MCI-EFI) in April is 56.1, a decrease from 58.2 in March.

ELFA President and CEO Ralph Petta said, “MLFI-25 participants end the first quarter of the year very favorably: new business volume continues to surge and portfolios are performing extremely well. This, while inflationary pressures, the war in Ukraine and supply chain disruptions continue unabated. With the Fed increasing short-term borrowing rates now and into the foreseeable future, business owners—both large and small—are choosing to lease and finance their critical equipment needs.”

Mike Jones, President, CIT Business Capital, a division of First Citizens Bank, said, “Strong performance in the ELFA survey—for both month-over-month and year-over-year results—highlights the continued strength of the economy and the appetite of the business community for equipment financing to drive their growth. These positive results come even as ongoing supply chain issues delay some deliveries. Overall, the results are very encouraging for the balance of 2022, as end-customers show their determination to compete by investing in the latest equipment to power their businesses forward.”

About ELFA’s MLFI-25

The MLFI-25 is the only near-real-time 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/knowledge-hub/mlfi-25-monthly-leasing-and-finance-index.

The MLFI-25 is part of the Knowledge Hub, the source for business intelligence in the equipment finance industry. Visit the hub at www.elfaonline.org/KnowledgeHub.

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 nearly \$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 580 members include independent and captive leasing and finance companies, banks, financial services corporations, broker/packagers and investment banks, as well as manufacturers and service providers. ELFA has been equipping business for success for more than 60 years. For more information, please visit www.elfaonline.org.

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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 charitable individual and corporate donations. Learn more at www.leasefoundation.org.