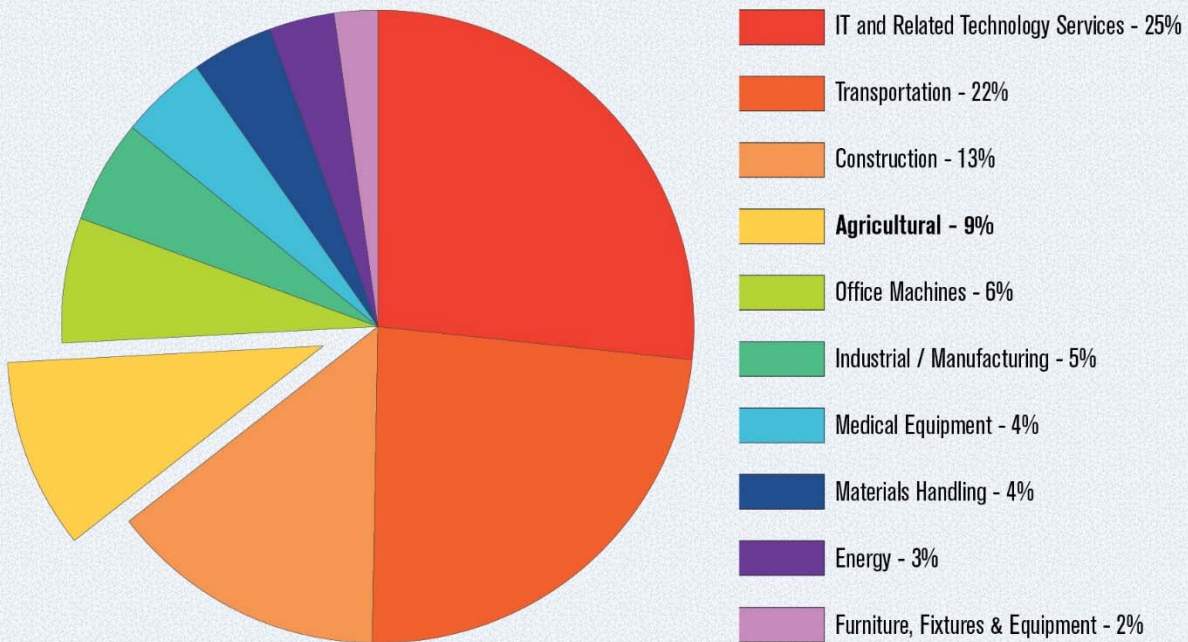


Fact Sheet: Equipment Finance in the Agriculture Industry

EQUIPMENT FINANCE IN THE AGRICULTURE INDUSTRY



Agricultural equipment represents 9% of equipment financing new business volume in the United States.



Source: 2018 Survey of Equipment Finance Activity.

Learn how the equipment finance industry equips your business for success at www.EquipmentFinanceAdvantage.org/Abt/facts.cfm

Equipment Financing Volume

According to the Equipment Leasing and Finance Association's (ELFA) [2018 Survey of Equipment Finance Activity](#), in 2017:

- Agricultural equipment represented 8.7% of equipment financing new business volume reported by ELFA member companies, down from 9.8% in 2016.
- As an end-user of equipment finance, the agriculture industry represented 12% of new business volume reported by ELFA member companies, unchanged from 2016.

The Equipment Leasing & Finance Foundation's [U.S. Equipment Finance Market Study: 2016-2017](#) reported that in 2015:

- 78% of respondents in a survey of businesses used at least one form of financing when acquiring equipment.
- This is an increase from 72% of respondents from the 2012 Foundation market study, and represents an increase in the overall propensity to finance.
- 68% of the total value of equipment and software acquired was financed, a significant increase from the previous estimate of 55% forecast in the 2012 Foundation market study.

Investment

According to the Equipment Leasing & Finance Foundation's [Q3 2018 Equipment Leasing & Finance U.S. Economic Outlook](#):

- Investment in agriculture machinery contracted in Q1 2018 at an annual rate of 1.7%.
- In July 2018 agriculture machinery investment was up 19% year over year.
- Agriculture machinery investment growth will likely slow through the end of 2018.

Agricultural Machinery Manufacturing Industry

According to First Research, Inc.:

- The U.S. agricultural machinery manufacturing industry includes about 1,000 companies with combined annual revenue of about \$23 billion.
- Imports of agricultural equipment, primarily from countries such as China, Germany, Mexico, Japan and Canada make up about one-third of the U.S. market. Exports account for about one-third of U.S. production. Major export markets include Canada, Mexico and Australia.

Tractor and Combine Sales

According to the [Association of American Equipment Manufacturers](#) (AEM), in July 2018:

- Total U.S. farm tractor sales were 21,599, up 12.5% from 19,194 sold during the same month in 2017.
- Year-to-date, the total of farm tractors sold was 144,995, up 7.4% from 134,954 sold through July 2017.
- Sales of self-propelled combines were 561, up 37.2% from the same month in 2017.
- Year-to-date, 2,571 self-propelled combines were sold, up 23.7% from the same period in 2017.

2018 Outlook

According to [information from John Deere](#):

- Industry sales for agricultural equipment in the U.S. and Canada are forecast to be up about 10% for 2018 led by higher demand for large equipment.
- Industry sales of turf and utility equipment in the U.S. and Canada are expected to be flat to up to 5% for 2018.
- Global industry sales in forestry are expected to be up about 10% mainly as a result of improved demand throughout the world, led by North America.

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/packagegers and investment banks, as well as manufacturers and service providers. For more information, please visit www.elfaonline.org. Follow ELFA on Twitter @ELFAonline.

ELFA is the premier source for statistics and analyses concerning the equipment finance sector. Please visit www.elfaonline.org/Data/ for additional information.

ELFA believes that information and education about available options regarding investment in equipment are important to all businesses. ELFA offers resources, including a loan/lease comparison, a glossary of terms, an analysis to help determine suitable financing options, videos and topical articles available for reprint free of charge, at www.EquipmentFinanceAdvantage.org

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