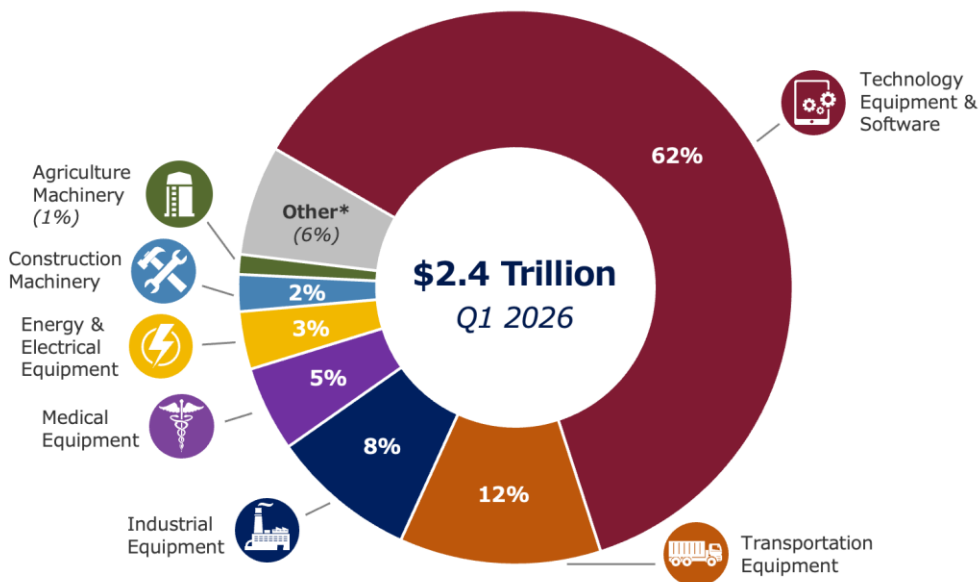


Fact Sheet: Equipment Finance in the Industrial and Manufacturing Industry

Distribution of Investment by Vertical



*Other includes furniture and fixtures, office equipment, service industry machinery, nonmedical instruments, and other miscellaneous items.
Note: Percentages may not sum to 100% due to rounding.

Source: U.S. Bureau of Economic Analysis, National Income and Product Accounts. Data are seasonally adjusted and annualized.

Source: U.S. Equipment & Software Momentum Monitor

Equipment Financing Volume

According to the Equipment Leasing and Finance Association’s (ELFA) [2025 Survey of Equipment Finance Activity](#), in 2024:

- Industrial & manufacturing equipment represented 4.3% of new business volume reported by ELFA member companies, a decrease from 4.6% in 2023.

As end-users of equipment finance, the industrial & manufacturing industry represented 10.5% of new business volume reported by ELFA member companies, up from 10.1% in 2023.

Of that:

- The metal & machinery industry represented 4.5% of new business volume reported by ELFA member companies, up from 4 % in 2023.
- The wood, paper, chemical & plastic industries represented 3.2% of new business volume reported by ELFA member companies, down from 3.5% in 2023.
- Other industrial/manufacturing industries represented 2.8% of new business volume reported by ELFA member companies, up from 2.6% in 2023.

Percentage of new business volume ELFA member companies financed by equipment type:

Equipment category	2024	2023
Materials handling	4.6%	4.5%
Machine tools	1.9%	2.1%
Plastic extrusion	0.2%	0.2%
Production & process control	1.4%	1.6%
Other industrial/manufacturing	0.7%	0.7%

According to the Equipment Leasing & Finance Foundation's [2024 Equipment Leasing & Finance Industry Horizon Report](#):

- More than 8 in 10 businesses (82%) that acquired equipment and software used at least one form of financing to do so (i.e., lease, secured loan or line of credit).
- Total public and private sector equipment and software investment expanded to \$2.3 trillion in nominal terms. Approximately 58% of this investment was financed, yielding an industry size estimate of about \$1.34 trillion.
- Of private sector equipment and software investment, 64.2% was financed.
- Leasing was the most common financing method (used by 26%), followed by secured loans (16%), lines of credit (14%) and unsecured loans (8%).
- The top reasons end-users chose to finance their equipment and software acquisitions were “optimization of cash flow” (62%), “protection from equipment obsolescence” (55%), and “tax advantages” (51%).

Investment

According to the [U.S. Equipment & Software Investment Momentum Monitor](#):

- Investment in industrial equipment decreased at an annualized rate of 2.1% in Q4 2025, and in March 2026 was up 2.7% year over year.
- Industrial equipment investment growth should improve through the end of Q3 2026.

Equipment Market

According to the [U.S. Bureau of Economic Analysis](#), in 2024:

- Industrial equipment investment was \$318.9 billion.

According to information from the [Association for Manufacturing Technology](#) (AMT), in January 2026:

- New orders of metalworking machinery totaled \$441.4 million, down 45.8% from a record high in December 2025, and up 24.4% year over year.

According to the [Institute for Supply Management](#):

- Economic activity in the manufacturing sector expanded in March 2026 for the third consecutive month.

About ELFA

The Equipment Leasing & Finance Association (ELFA) represents financial services companies and manufacturers in the \$1.3 trillion U.S. equipment finance sector. ELFA's over 600 member companies provide essential financing that helps businesses acquire the equipment they need to operate and grow. Learn how equipment finance contributes to businesses' success, U.S. economic growth, manufacturing and jobs at www.elfaonline.org.
