State of the global leasing industry – continued strength and growth

By Brendan Gleeson, Group CEO, White Clarke Group

The White Clarke Group Global Leasing Report continues a history of tracking the worldwide market for leasing products for more than 30 years. Following the recovery from the global economic crisis, the leasing industry has experienced significant growth and has introduced new and innovative ways to finance equipment for companies worldwide. All values in this Report are quoted in US dollars.

Overview. For the sixth consecutive year since the global financial crisis, the global leasing industry has enjoyed growth in new business volumes and the outlook for the industry remains optimistic.

The top 50 countries in 2016 reported growth in new business volume of 9.40%, rising from US$1,005.30bn in 2015 to US$1,099.77bn in 2016. Three regions, North America, Europe and Asia, account for more than 95% of world volume. New business volume exceeded the previous year’s global total by US$94.47bn.

The Asian region experienced impressive growth of 30% and demonstrated by far the largest percentage increase among all the global regions. All eyes remain on China where the market registered staggering growth of 61%, which highlights the robustness of this burgeoning market.

Europe recorded a growth rate of 7.3% and North America experienced 2.2% growth over the previous year. By contrast, 1

Table 4: A comparison of the rate of equipment leasing market penetration (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>30.9</td>
<td>30.0</td>
<td>31.7</td>
<td>31.0</td>
<td>31.1</td>
<td>31.1</td>
<td>29.9</td>
<td>26.9</td>
<td>27.7</td>
<td>26.0</td>
<td>16.4</td>
<td>17.1</td>
<td>17.1</td>
<td>21.0</td>
<td>22.0</td>
<td>22.0</td>
<td>22.0</td>
<td>22.0</td>
<td>22.0</td>
</tr>
<tr>
<td>Japan</td>
<td>9.2</td>
<td>9.5</td>
<td>9.1</td>
<td>9.2</td>
<td>9.3</td>
<td>8.7</td>
<td>8.7</td>
<td>9.3</td>
<td>7.8</td>
<td>7.2</td>
<td>7.0</td>
<td>6.3</td>
<td>6.8</td>
<td>7.2</td>
<td>9.8</td>
<td>8.9</td>
<td>9.6</td>
<td>8.4</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>14.7</td>
<td>15.1</td>
<td>14.8</td>
<td>13.5</td>
<td>9.8</td>
<td>21.7</td>
<td>15.7</td>
<td>18.6</td>
<td>23.6</td>
<td>15.5</td>
<td>16.2</td>
<td>13.9</td>
<td>14.3</td>
<td>14.7</td>
<td>5.8</td>
<td>16.6</td>
<td>16.4</td>
<td>16.7</td>
<td>17.0</td>
</tr>
<tr>
<td>Korea</td>
<td>13.1</td>
<td>12.8</td>
<td>2.4</td>
<td>1.6</td>
<td>3.9</td>
<td>4.4</td>
<td>5.6</td>
<td>7.7</td>
<td>9.4</td>
<td>n/a</td>
<td>10.5</td>
<td>4.4</td>
<td>4.8</td>
<td>8.7</td>
<td>8.5</td>
<td>8.1</td>
<td>9.8</td>
<td>9.4</td>
<td>9.1</td>
</tr>
<tr>
<td>UK</td>
<td>15.0</td>
<td>15.9</td>
<td>13.8</td>
<td>14.4</td>
<td>15.3</td>
<td>14.2</td>
<td>9.4</td>
<td>14.5</td>
<td>12.7</td>
<td>11.6</td>
<td>20.6</td>
<td>17.6</td>
<td>18.5</td>
<td>19.8</td>
<td>23.8</td>
<td>31.0</td>
<td>28.6</td>
<td>31.1</td>
<td>33.7</td>
</tr>
<tr>
<td>France</td>
<td>17.0</td>
<td>15.7</td>
<td>9.2</td>
<td>13.7</td>
<td>12.9</td>
<td>15.4</td>
<td>9.0</td>
<td>11.7</td>
<td>11.0</td>
<td>12.0</td>
<td>12.2</td>
<td>3.1</td>
<td>10.5</td>
<td>11.1</td>
<td>12.8</td>
<td>12.5</td>
<td>13.1</td>
<td>14.2</td>
<td>15.3</td>
</tr>
<tr>
<td>Italy</td>
<td>12.3</td>
<td>12.4</td>
<td>12.3</td>
<td>10.4</td>
<td>8.6</td>
<td>7.6</td>
<td>11.4</td>
<td>15.1</td>
<td>15.2</td>
<td>11.4</td>
<td>16.9</td>
<td>10.0</td>
<td>13.1</td>
<td>12.3</td>
<td>10.0</td>
<td>9.4</td>
<td>11.7</td>
<td>13.0</td>
<td>14.1</td>
</tr>
<tr>
<td>Brazil</td>
<td>20.7</td>
<td>12.5</td>
<td>11.4</td>
<td>7.6</td>
<td>3.6</td>
<td>3.8</td>
<td>7.7</td>
<td>13.5</td>
<td>16.9</td>
<td>19.0</td>
<td>23.8</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Canada</td>
<td>22.0</td>
<td>22.0</td>
<td>22.5</td>
<td>22.0</td>
<td>20.2</td>
<td>22.0</td>
<td>23.3</td>
<td>23.9</td>
<td>22.0</td>
<td>22.0</td>
<td>19.6</td>
<td>14.0</td>
<td>15.1</td>
<td>20.8</td>
<td>20.8</td>
<td>32.0</td>
<td>31.0</td>
<td>32.0</td>
<td>32.0</td>
</tr>
<tr>
<td>Australia</td>
<td>25.0</td>
<td>25.4</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
<td>18.0</td>
<td>14.2</td>
<td>10.0</td>
<td>10.0</td>
<td>12.0</td>
<td>27.5</td>
<td>27.5</td>
<td>40.0</td>
<td>40.0</td>
<td>40.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Sweden</td>
<td>20.0</td>
<td>17.5</td>
<td>12.9</td>
<td>9.2</td>
<td>13.0</td>
<td>11.6</td>
<td>12.7</td>
<td>11.8</td>
<td>11.8</td>
<td>14.3</td>
<td>19.4</td>
<td>17.5</td>
<td>19.2</td>
<td>18.2</td>
<td>24.6</td>
<td>24.4</td>
<td>22.7</td>
<td>22.9</td>
<td>26.0</td>
</tr>
</tbody>
</table>

Sources:
1. Australian Equipment Lessors Association (total leasing as a percentage of private capital investment)
2. US Dept. of Commerce, Economics & Statistics Administration, Bureau of Economic Analysis and Equipment Leasing Association of America (equipment leasing as a percentage of business investment in equipment)
3. Japan Economic Planning Agency & Japan Leasing Association (equipment leasing as a percentage of private capital investment)
4. Leaseurope Annual Reports
5. Statistics Canada & Equipment Lessors Association of Canada (lessor purchases as a percentage of total equipment acquisitions in Canada)
6. Korea Leasing Association
7. Brazilian Association of Leasing Companies
8. London Financial Group
Latin America posted a slight decline of 6.8% in 2016 while Africa recorded a fall from last year’s figure of 19.5%. Australia/New Zealand was down 8.9%.

The Global Leasing Report employs the US dollar as the common currency baseline for country comparisons, using exchange rates prevailing at the end of the year. However, note that the growth figures we specify are as actually reported by each country, before conversion into dollars, so they are unaffected by the vagaries of currency fluctuations and give a true picture of domestic performance year-on-year.

**Figure 5: Volume by region (2016)**

![Figure 5: Volume by region (2016)](source: White Clarke Group Global Leasing Report)

Europe 31.5%
Asia 26.4%
N. America 37.9%
S. America 1.2%
Aus/NZ 2.6%
Africa 0.5%

READ THE FULL REPORT

This is a short extract from the White Clarke Group Global Leasing Report as published exclusively in the World Leasing Yearbook 2018. The full Report includes essential data on the global leasing market including a ranking of the Top 50 leasing markets by size, penetration levels, domestic leasing shares and volume by country and region.

To obtain the full nine-page Report which features 12 tables and graphs and a 4,000 word commentary please contact us on +44 1206 579591 or email lisa@worldleasing.co.uk. Alternatively you can purchase a copy directly on this website.