

Innovation and resilience drive growth in the global leasing markets

By David Hamilton, CEO, Solifi

THE SOLIFI GLOBAL LEASING REPORT continues a history of tracking the worldwide market for leasing products for more than 30 years.

Overview. For this 44th edition of the *World Leasing Yearbook* we can report that the global leasing industry reported an impressive rise of 9.3% in new business volumes in 2021 as global economies emerged from lockdown and equipment investment rebounded.

The top 50 countries reported new business volume of US\$1,463.19bn in 2021 which is up from US\$1,338.19bn in 2020. The Report shows that the global leasing industry has grown 84% in the past decade (see Table 3).

Three regions, North America, Europe and Asia, account for 96% of world leasing volume. North America experienced an increase in new business of 7.4%, Europe was up 7.8%. Business in Asia was up 11.4% making it the second largest region after North America.

Elsewhere, South America was up by a very impressive 74%. Australia/New Zealand was up 1.1%, and Africa was up 9.3%.

It is important when analysing this data to stress that the Global Leasing Report employs the US dollar as the common



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currency baseline for country comparisons, using exchange rates prevailing at the end of the year. (For this Report the date of conversion is December 31, 2021).

Care should be taken when making comparisons year on year for individual countries and regions in this data as currency fluctuations inevitably impact the US dollar figures in the Report. The growth figures we specify in Table 2 are as actually reported by each country, before conversion into US dollars, so they are unaffected by the vagaries of currency fluctuations and give a true picture of domestic performance year on year.

North America. The North American region consists of the US, Canada and Mexico. The sector maintains its position as the world’s biggest leasing market, with new business volume of US\$510.4bn, representing 34.9% of the total global market share in equipment leased.

The US is the dominant player of the region, and the largest single leasing global market. New US business volume for the equipment finance industry increased by 7.4% in 2021 according to the ELFA Annual Survey of Equipment Finance (SEFA).

Table 1: Volume and growth by region (2020–21)

Rank by volume	Region	Annual volume (US\$bn)	Growth 2020–21 (%)	Percentage of world market volume 2020	Percentage of world market volume 2021	Change in market share 2020–21
1	N. America	510.4	7.4	35.5	34.9	-0.6
2	Europe	446.5	7.8	31.0	30.5	-0.5
3	Asia	448.0	11.4	30.0	30.6	0.6
4	Aus/NZ	26.7	1.1	2.0	1.8	-0.1
5	S. America	26.7	74.0	1.1	1.8	0.7
6	Africa	4.9	9.3	0.3	0.3	0.0
	Total	1463.19				

Source: Solifi Global Leasing Report

New business in Canada was up 6.9% in 2021. According to data supplied by the Alta Group, Mexico experienced an increase in new business in local currency of 2.3% in 2021.

Europe. Europe reported an increase in new business of 7.8% in 2021 when expressed in US dollars bringing total new business to US\$446.5bn and it is the third largest region in the world. Europe accounts for 30.5% of total world volume.

Most of the national leasing markets enjoyed positive results with over three quarters of European countries recording double digit growth in 2021 compared to the previous year.

The leading five European countries (UK, Germany, France, Italy, and Sweden) feature in the world's top 10 countries for new business, contributing 68% of the total European volume.

The United Kingdom and Germany are positioned as the third and fourth largest leasing markets in the world and remain the dominant players in Europe. They accounted for 40.8% of the European market and 12.5% of the world market in 2021.

In 2021, the UK leasing industry captured US\$91.9bn of new business registering an increase in business volumes of 14.3% (in local currency) as compared with previous year and locating it third in the global rankings after the US and China.

The second largest European leasing market is Germany. New business was up 21.8% in 2021 to US\$90.4bn ranking it fourth.

France remains in 6th place in the top 50 rankings, with new business volume of US\$59.6bn and reporting an increase of 12.5%. Italy ranks as the 4th largest European market with new volume at US\$34.4bn and business was up 25.6%.

Data from Russia was excluded for the Leaseurope 2021 statistical report as was Ukraine. We have made an estimate of new leasing business for Russia. Last year Ukraine ranked 40th in the GLR but this year we have excluded Ukraine from the report due to a lack of data.

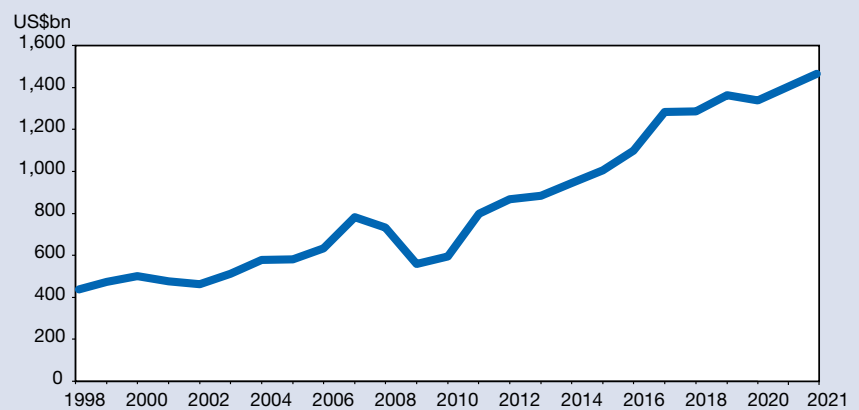
Overall, the members of Leaseurope (the European federation of leasing and finance companies) recorded a consolidated increase in new business of 15.8%. It is estimated that Leaseurope represented

approximately 91% of the European leasing market in 2021. (See Leaseurope report elsewhere in this edition for an in-depth breakdown of the European data).

Note that Leaseurope excludes Ireland from its survey. We are unable to obtain reliable data on the size of the Irish leasing market and Ireland is excluded from the GLR. But given the large aircraft leasing sector based in the country the leasing market is significant.

The 15.8% increase in business reported by Leaseurope differs slightly to the GLR Europe figure of 7.8% because The Global Leasing Report adopts the US dollar as its base rate, as published at the last day of the year (2021). Leaseurope

Figure 1: World leasing volume (1998–2021)



Source: Solifi Global Leasing Report

READ THE FULL REPORT

This is a short extract from the Solifi Global Leasing Report as published exclusively in the *World Leasing Yearbook 2023*. 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 5795912 or email michelle@worldleasing.co.uk. Alternatively, you can purchase a copy directly on this website.

Source: Solifi Global Leasing Report