

August 2025

Restaurant Performance Index Rose 0.1% in August

The National Restaurant Association's Restaurant Performance Index (RPI) was essentially unchanged in August, as restaurant operators continued to report mixed sales and customer traffic results. The RPI – a monthly composite index that tracks the health of the U.S. restaurant industry – stood at 99.8 in August, up 0.1% from a level of 99.7 in July.

The RPI remained rangebound in recent months, as higher same-store sales were offset by dampened customer traffic levels. Restaurant operators had their most optimistic sales outlook in seven months, but they remain significantly less bullish about the economy.

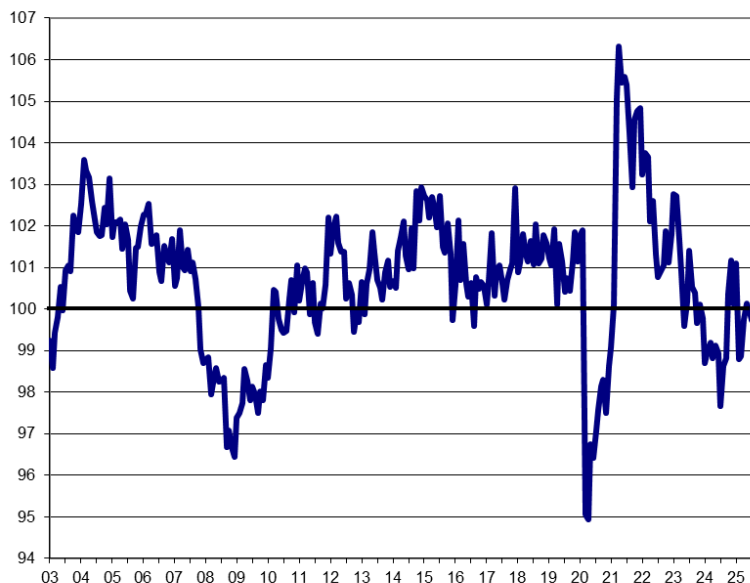
The RPI is constructed so that the health of the restaurant industry is measured in relation to a neutral level of 100. Index values above 100 indicate that key industry indicators are in a period of expansion, while index values below 100 represent a period of contraction. The Restaurant Performance Index consists of two components – the Current Situation Index and the Expectations Index.

Current Situation Index Edged Up 0.1% to a Level of 99.8 in August; Expectations Index Rose 0.1% to a Level of 99.8

The Current Situation Index, which measures current trends in four industry indicators (same-store sales, traffic, labor and capital expenditures), stood at 99.8 in August – up slightly from a level of 99.7 in July. Restaurant operators reported a net increase in same-store sales in August, but the overall Current Situation Index remained below 100 in contraction territory for the second consecutive month.

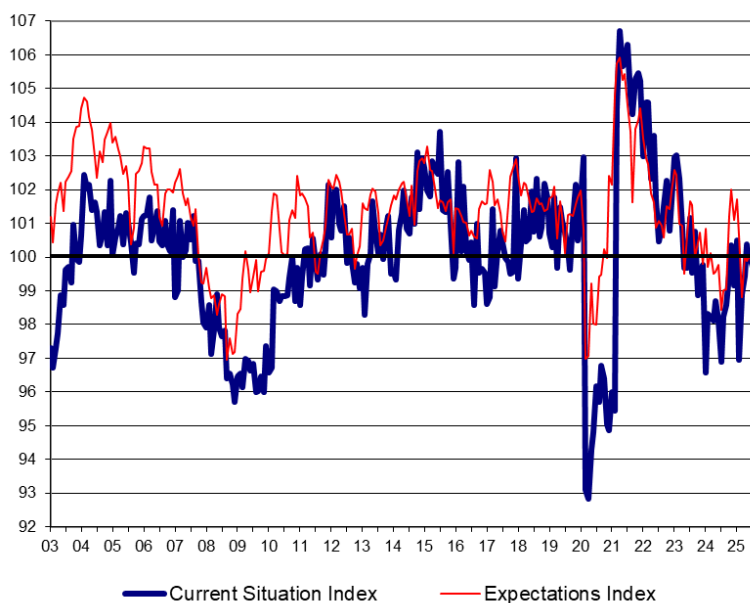
The Expectations Index, which measures restaurant operators' six-month outlook for four industry indicators (same-store sales, employees, capital expenditures and business conditions), stood at 99.8 – up slightly from the previous month but still in contraction territory. Four in 10 restaurant operators expect their sales volume to be higher in six months, which represented the highest reading since February 2025.

Restaurant Performance Index



Source: NRA; Values Greater than 100 = Expansion; Values Less than 100 = Contraction

Current Situation & Expectations Indices



Source: NRA; Values Greater than 100 = Expansion; Values Less than 100 = Contraction

Restaurant Operators Reported Mixed Sales and Traffic Results in August

Restaurant operators reported a modest net increase in same-store sales for the fifth consecutive month in August. Forty-six percent of restaurant operators said their same-store sales rose between August 2024 and August 2025, down slightly from 48% of operators who reported higher sales in July. Forty-three percent of operators said their sales declined in August, compared to 42% in July.

In contrast to the net increase in same-store sales, restaurant operators continued to report dampened customer traffic readings. Thirty-eight percent of operators said their customer traffic rose between August 2024 and August 2025, down slightly from 40% in July. Forty-two percent of restaurant operators reported lower traffic in August, compared to 46% in July. August represented the seventh consecutive month in which operators reported a net decline in customer traffic.

Fifty-four percent of operators said they made a capital expenditure for equipment, expansion or remodeling during the last three months. That represented the highest level in 20 months.

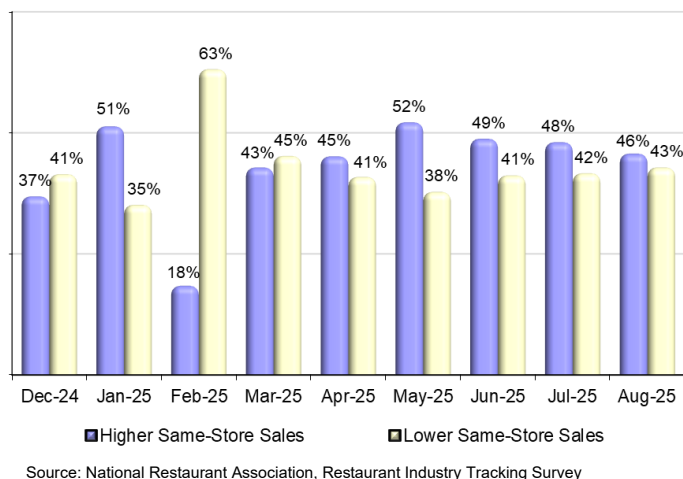
Restaurant Operators are More Optimistic about Sales in the Months Ahead

Restaurant operators are somewhat more optimistic about sales gains in the coming months, relative to recent surveys. Forty percent of operators expect their sales volume in six months to be higher than it was during the same period in the previous year. That was up from 29% last month and represented the highest positive reading since February 2025. Twenty-six percent of operators think their sales will be lower in six months, while 34% expect sales to remain about the same.

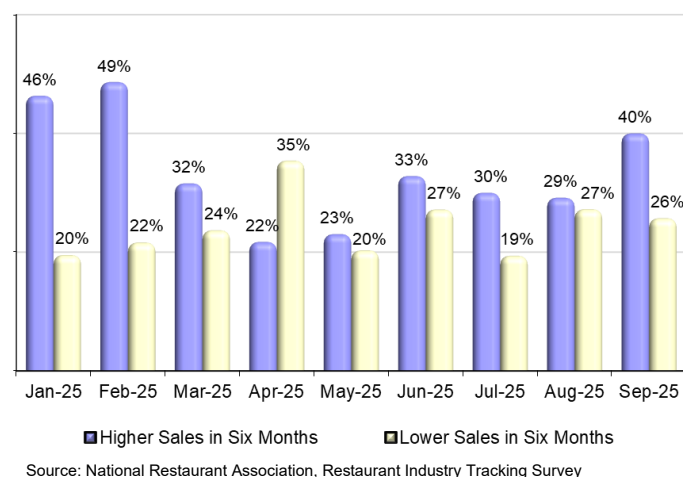
Restaurant operators are much more pessimistic about the direction of the overall economy. Only 17% of restaurant operators said they expect economic conditions to improve in six months. That was only a modest improvement from the 15% who reported similarly last month. Forty-three percent of restaurant operators think economic conditions will worsen during the next six months, while 40% think conditions will remain about the same as they are now.

Despite the mixed expectations for business conditions, a majority of restaurant operators are planning for capital spending in the coming months. Fifty-four percent of operators said they plan to make a capital expenditure for equipment, expansion or remodeling during the next six months. That was the fifth consecutive month in which a majority of operators signaled plans for capital spending.

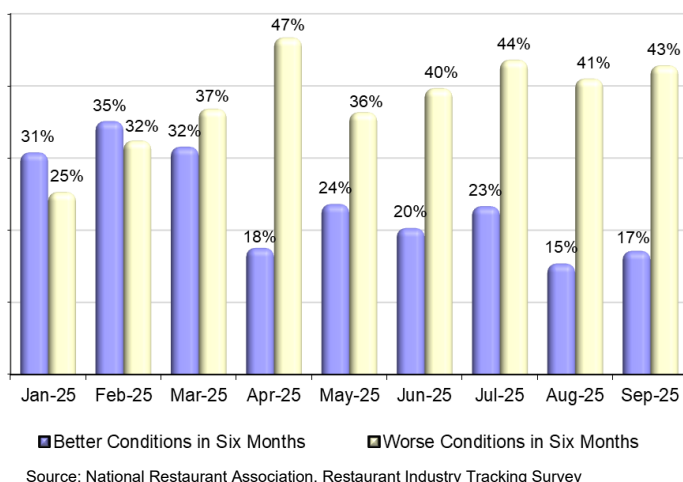
Restaurant Operators' Reporting of Same-Store Sales versus Same Month in Previous Year



Restaurant Operators' Outlook for Sales Volume in Six Months versus Same Period in Previous Year



Restaurant Operators' Outlook for General Economic Conditions in Six Months



National Restaurant Association Restaurant Performance Index and Its Components

	April 2025	May 2025	June 2025	July 2025	August 2025	July-25 to Aug-25
Restaurant Performance Index	99.7	100.1	100.0	99.7	99.8	0.1%
Current Situation Index	99.4	100.4	100.0	99.7	99.8	0.1%
<i>Current Situation Indicators:</i>						
Same-Store Sales	100.4	101.4	100.8	100.6	100.3	-0.4%
Customer Traffic	98.2	99.8	98.9	99.4	99.6	0.1%
Labor	99.2	100.5	99.8	98.2	98.7	0.5%
Capital Expenditures	100.0	99.8	100.5	100.6	100.8	0.2%
Expectations Index	100.0	99.9	100.1	99.7	99.8	0.1%
<i>Expectations Indicators:</i>						
Same-Store Sales	100.3	100.6	101.1	100.2	101.4	1.2%
Staffing	100.9	100.4	100.4	100.3	99.8	-0.5%
Capital Expenditures	100.3	100.5	100.8	101.1	100.7	-0.4%
Business Conditions	98.7	98.1	98.0	97.4	97.4	0.0%

Note: For each of the Indices and Indicators, a value above 100 signals a period of expansion while a value below 100 signals a period of contraction.

Definitions

The National Restaurant Association's *Restaurant Performance Index* is a statistical barometer that measures the overall health of the U.S. Restaurant Industry. This monthly composite index is based on the responses to the National Restaurant Association's monthly Restaurant Industry Tracking Survey, which is fielded among restaurant operators nationwide on a variety of indicators including sales, traffic, labor and capital expenditures. The *Restaurant Performance Index* is composed of two equally-weighted components: the Current Situation Index and the Expectations Index. For each of the Indices and Indicators, a value above 100 signals a period of expansion while a value below 100 signals a period of contraction. The distance from 100 signifies the magnitude of the expansion or contraction.

The Current Situation Index is a composite index based on four 'recent-period' restaurant industry indicators:

Same-Store Sales: Compares same-store sales volume in the reference month versus the same month in the previous year

Customer Traffic: Compares customer traffic in the reference month versus the same month in the previous year

Labor: Compares the number of employees and the average employee hours in the reference month versus the same month in the previous year

Capital Expenditures: Measures capital expenditure activity during the three most recent months

The Expectations Index is a composite index based on four 'forward-looking' restaurant industry indicators:

Same-Store Sales: Restaurant operators' outlook for same-store sales in six months, compared to the same period in the previous year

Staffing: Restaurant operators' expectations for their number of employees in six months, compared to the same period in the previous year

Capital Expenditures: Restaurant operators' capital expenditure plans during the next six months

Business Conditions: Restaurant operators' outlook for general business conditions during the next six months