

December 2025

Restaurant Performance Index Fell 0.8% in December

The National Restaurant Association's Restaurant Performance Index (RPI) registered a moderate decline in December, due in large part to softer sales and traffic levels. The RPI – a monthly composite index that tracks the health of the U.S. restaurant industry – stood at 99.3 in December, down 0.8% from November and the lowest reading since March.

The RPI's decline was the result of downturns in both the current situation and expectations components, with the same-store sales and customer traffic indicators registering the sharpest drops. Restaurant operators are also somewhat less optimistic about sales growth in the months ahead, while their outlook for the economy remains uncertain.

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 Fell 1.0% to a Level of 98.3 in December; Expectations Index Declined 0.6% to a Level of 100.2

The Current Situation Index, which measures current trends in four industry indicators (same-store sales, traffic, labor and capital expenditures), stood at 98.3 in December – down 1.0% from a level of 99.2 in November. December was the lowest reading since February, and represented the sixth consecutive month in which the current situation component was below 100 in contraction territory.

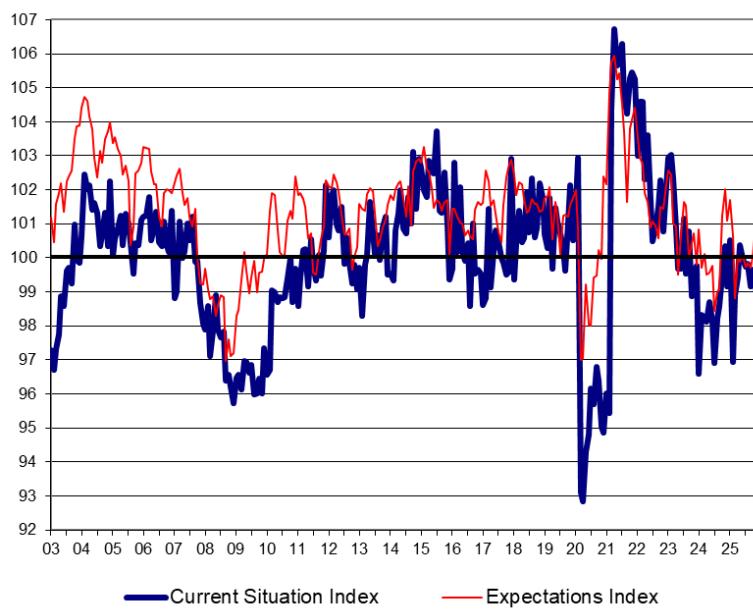
The Expectations Index, which measures restaurant operators' six-month outlook for four industry indicators (same-store sales, employees, capital expenditures and business conditions), stood at 100.2, down 0.6% from the previous month. While the expectations component remained above 100 in expansion territory, restaurant operators have a mixed outlook for business conditions.

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 Dampened Sales and Traffic Results in December

Restaurant operators reported a net decline in same-store sales for the first time in nine months. Thirty-seven percent of restaurant operators said their same-store sales rose between December 2024 and December 2025, down from 47% of operators who reported higher sales in November. Fifty-three percent of operators said their sales declined in December, up from 44% in November.

Restaurant operators also continued to report customer traffic declines in December. Twenty-eight percent of operators said their customer traffic rose between December 2024 and December 2025, down from 30% in November. Sixty percent of restaurant operators reported lower traffic in December, up from 51% in November. December represented the 11th consecutive month in which operators reported a net decline in customer traffic.

Fifty-one percent of operators said they made a capital expenditure for equipment, expansion or remodeling during the last three months. That represented the seventh consecutive month above the 50% level.

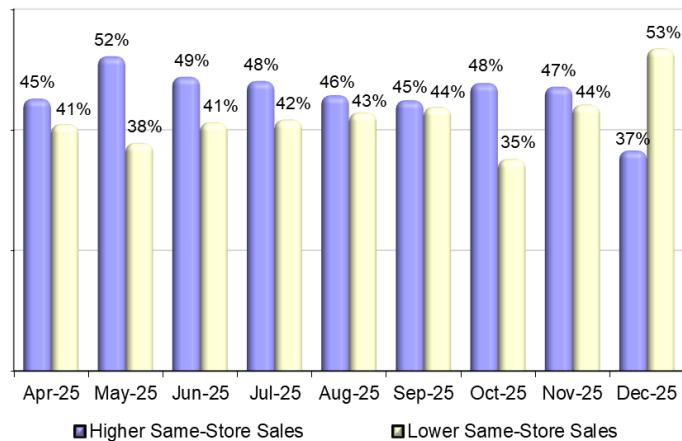
Restaurant Operators Have a Mixed Outlook for Sales and the Economy

Restaurant operators are somewhat less optimistic about sales growth in the coming months. Thirty-four 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 down from 41% of operators who reported similarly last month. Twenty-five percent of restaurant operators think their sales will be lower in six months, while the remaining 41% of operators expect their sales to remain relatively flat.

Restaurant operators also remain uncertain about the direction of the overall economy. Only 25% of restaurant operators said they expect economic conditions to improve in six months. Thirty percent of restaurant operators think economic conditions will worsen during the next six months, while 45% think conditions will remain about the same as they are now. That represented the 11th consecutive month in which restaurant operators had a net negative outlook for the economy.

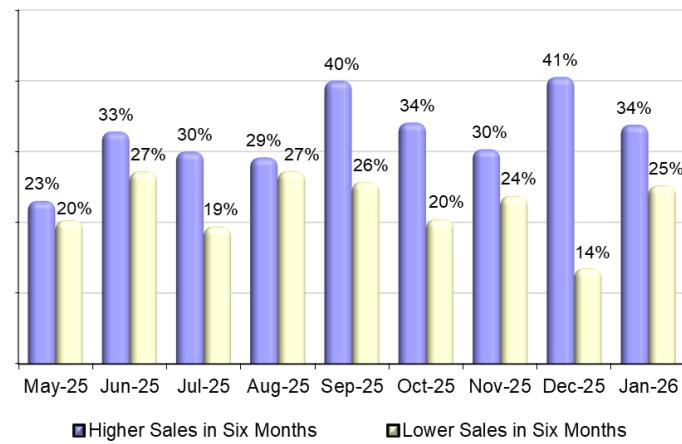
Despite the mixed outlook, a majority of restaurant operators are planning for capital spending in the coming months. Fifty-three percent of operators said they plan to make a capital expenditure for equipment, expansion or remodeling during the next six months. That represented the ninth consecutive month in which a majority of operators reported plans for capital spending.

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



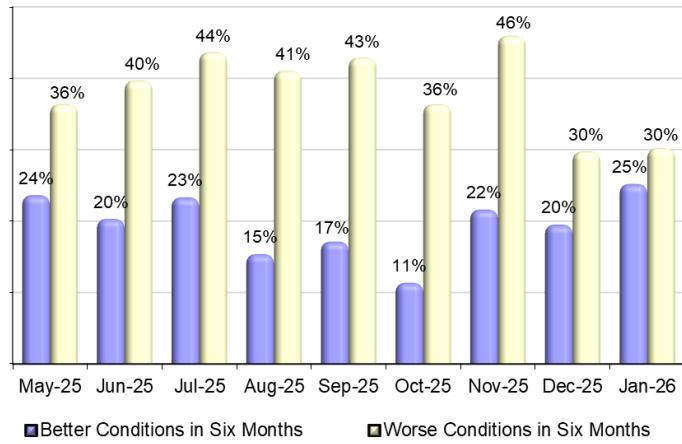
Source: National Restaurant Association, Restaurant Industry Tracking Survey

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



Source: National Restaurant Association, Restaurant Industry Tracking Survey

Restaurant Operators' Outlook for General Economic Conditions in Six Months



Source: National Restaurant Association, Restaurant Industry Tracking Survey

National Restaurant Association Restaurant Performance Index and Its Components

	August 2025	September 2025	October 2025	November 2025	December 2025	Nov-25 to Dec-25
Restaurant Performance Index	99.8	99.4	99.8	100.0	99.3	-0.8%
Current Situation Index	99.8	99.2	99.6	99.2	98.3	-1.0%
<i>Current Situation Indicators:</i>						
Same-Store Sales	100.3	100.1	101.3	100.3	98.3	-2.0%
Customer Traffic	99.6	98.2	98.5	98.0	96.8	-1.2%
Labor	98.7	97.9	98.5	98.3	97.8	-0.5%
Capital Expenditures	100.8	100.4	100.3	100.4	100.2	-0.2%
Expectations Index	99.8	99.7	100.0	100.8	100.2	-0.6%
<i>Expectations Indicators:</i>						
Same-Store Sales	101.4	101.4	100.7	102.7	100.9	-1.8%
Staffing	99.8	99.8	101.1	100.7	100.1	-0.7%
Capital Expenditures	100.7	100.2	100.8	100.9	100.6	-0.3%
Business Conditions	97.4	97.5	97.6	99.0	99.5	0.5%

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