

June 2025

Restaurant Performance Index Edged Down 0.1% in June

The National Restaurant Association's Restaurant Performance Index (RPI) held relatively steady in June, as restaurant operators continued to report mixed sales and traffic results. The RPI – a monthly composite index that tracks the health of the U.S. restaurant industry – stood at 100.0 in June, down slightly from a level of 100.1 in May.

Restaurant operators reported somewhat softer same-store sales in June, after a majority registered higher sales in May. Looking ahead, restaurant operators are cautiously optimistic about sales gains in the coming months. However, their outlook for the overall economy continues to lean negative.

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 Declined 0.4% to a Level of 100.0 in June; Expectations Index Rose 0.2% to a Level of 100.1

The Current Situation Index, which measures current trends in four industry indicators (same-store sales, traffic, labor and capital expenditures), stood at 100.0 in June – down 0.4% from a level of 100.4 in May. Although restaurant operators reported a net increase in same-store sales in June, customer traffic remained dampened compared to year-ago readings.

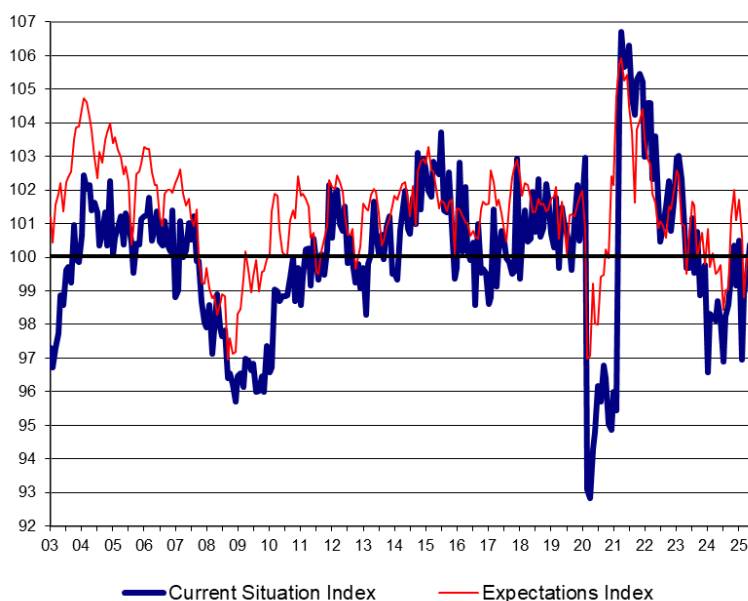
The Expectations Index, which measures restaurant operators' six-month outlook for four industry indicators (same-store sales, employees, capital expenditures and business conditions), stood at 100.1 – up 0.2% from the previous month. Restaurant operators are slightly more optimistic that their sales will improve in the months ahead, but they remain uncertain about the direction of the overall economy.

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 Positive Same-Store Sales in June

Restaurant operators reported a net increase in same-store sales in June, though results were somewhat softer than May's readings. Forty-nine percent of restaurant operators said their same-store sales rose between June 2024 and June 2025, down slightly from 52% of operators who reported higher sales in May. Forty-one percent of operators said their sales declined in June, up from 38% in May.

Restaurant operators also reported dampened customer traffic readings in June. Thirty-six percent of operators said their customer traffic rose between June 2024 and June 2025, down from 40% in May. Forty-seven percent of restaurant operators reported lower traffic in June, up from 42% in May. June represented the fifth consecutive month in which operators reported a net decline in customer traffic.

Fifty-two percent of operators said they made a capital expenditure for equipment, expansion or remodeling during the last three months. That represented the highest reading in 12 months.

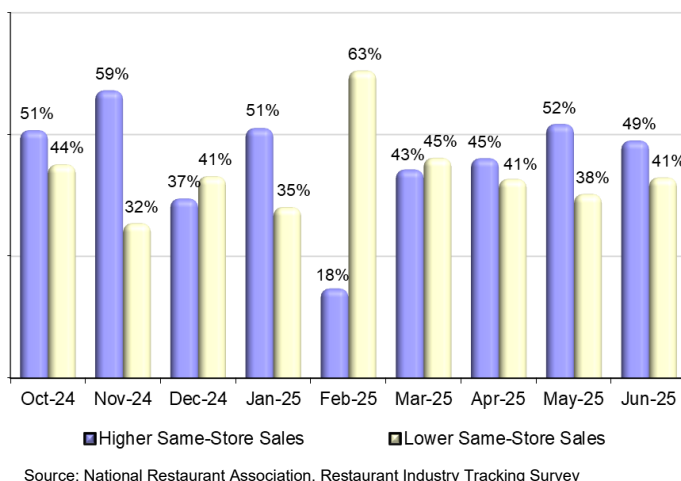
Restaurant Operators Remain Uncertain about Sales and the Economy

Restaurant operators are only cautiously optimistic about sales growth in the coming months. Thirty percent of operators expect their sales volume in six months to be higher than it was during the same period in the previous year. Nineteen percent of operators think their sales will be lower in six months, while the remaining 51% of operators expect their sales to remain flat. That represented the fifth consecutive month in which operators had a relatively subdued outlook for sales.

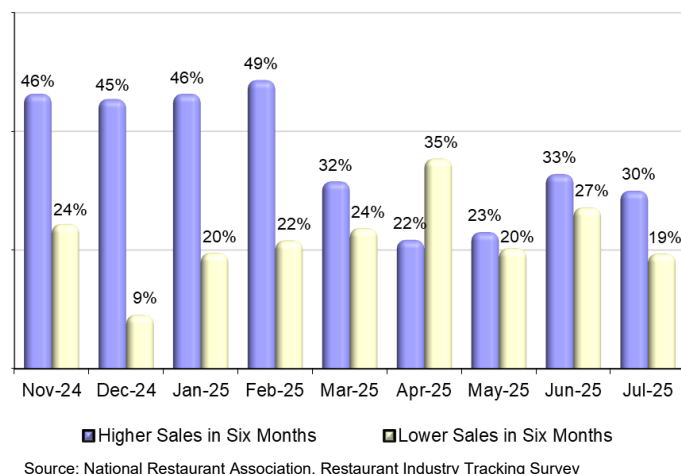
Restaurant operators remain much more pessimistic about the direction of the overall economy. Only 23% of restaurant operators said they expect economic conditions to improve in six months. That was down from nearly half of operators who reported similarly during the November and December survey periods. Forty-four percent of restaurant operators think economic conditions will worsen during the next six months, while 33% think conditions will remain about the same as they are now.

Despite the uncertain outlook, a majority of restaurant operators are planning for capital spending in the months ahead. 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 up slightly from 53% last month.

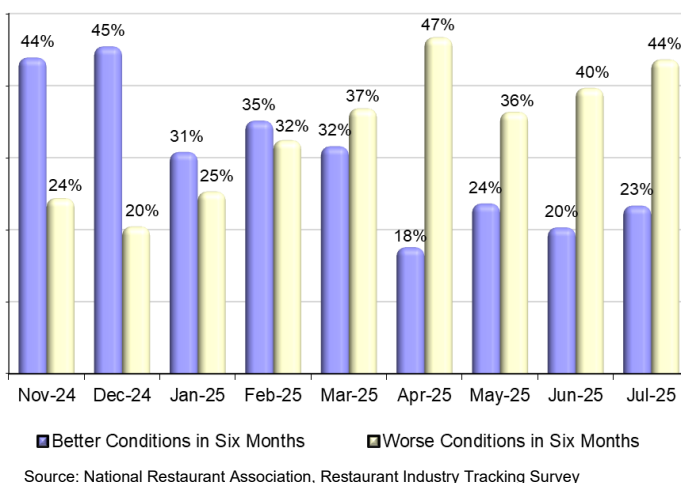
Restaurant Operators' Reporting of Same-Store Sales versus Same Month in Previous Year



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

	February 2025	March 2025	April 2025	May 2025	June 2025	May-25 to June-25
Restaurant Performance Index	98.8	98.9	99.7	100.1	100.0	-0.1%
Current Situation Index	96.9	98.9	99.4	100.4	100.0	-0.4%
<i>Current Situation Indicators:</i>						
Same-Store Sales	95.5	99.8	100.4	101.4	100.8	-0.7%
Customer Traffic	94.7	97.2	98.2	99.8	98.9	-0.9%
Labor	98.0	98.8	99.2	100.5	99.8	-0.7%
Capital Expenditures	99.5	99.9	100.0	99.8	100.5	0.7%
Expectations Index	100.6	98.8	100.0	99.9	100.1	0.2%
<i>Expectations Indicators:</i>						
Same-Store Sales	100.8	98.6	100.3	100.6	101.1	0.5%
Staffing	101.6	99.7	100.9	100.4	100.4	0.0%
Capital Expenditures	100.7	99.9	100.3	100.5	100.8	0.3%
Business Conditions	99.5	97.1	98.7	98.1	98.0	-0.1%

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

For a complete analysis of the National Restaurant Association's Restaurant Industry Tracking Survey including data broken out by industry segment, as well as a host of other economic indicators that impact the restaurant industry, log on to *Restaurant TrendMapper* at www.restaurant.org/trendmapper (subscription required).