



November 2024

### Restaurant Performance Index Increased 0.8% in November

The National Restaurant Association’s Restaurant Performance Index (RPI) registered a healthy gain in November, driven by broad-based gains in the current situation and forward-looking indicators. The RPI – a monthly composite index that tracks the health of the U.S. restaurant industry – stood at 101.2 in November, up 0.8% from October and the highest reading since July 2023.

The RPI’s recent rebound was the result of improvements in both the current situation and expectations indicators. Restaurant operators reported a net increase in both same-store sales and customer traffic in November, while their six-month outlook for sales and the economy continued to strengthen.

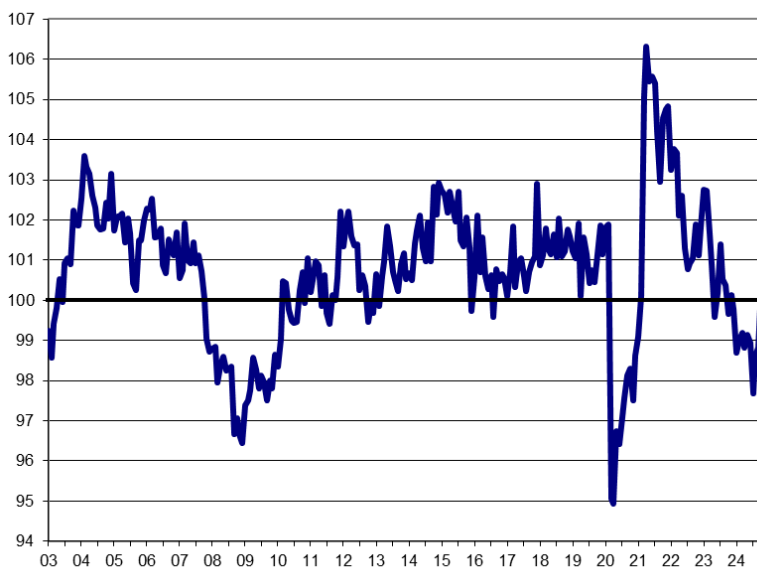
The RPI is constructed so that the health of the restaurant industry is measured in relation to a neutral level of 100. Index values above 100 indicate that key industry indicators are in a period of expansion, while index values below 100 represent a period of contraction. The Restaurant Performance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

### Current Situation Index Increased 0.8% to a Level of 100.3 in November; Expectations Index Rose 0.8% to a Level of 102.0

The Current Situation Index, which measures current trends in four industry indicators (same-store sales, traffic, labor and capital expenditures), stood at 100.3 in November – up 0.8% from October and the fourth consecutive monthly gain. November represented the first time in 14 months that the Current Situation Index stood above 100 in expansion territory.

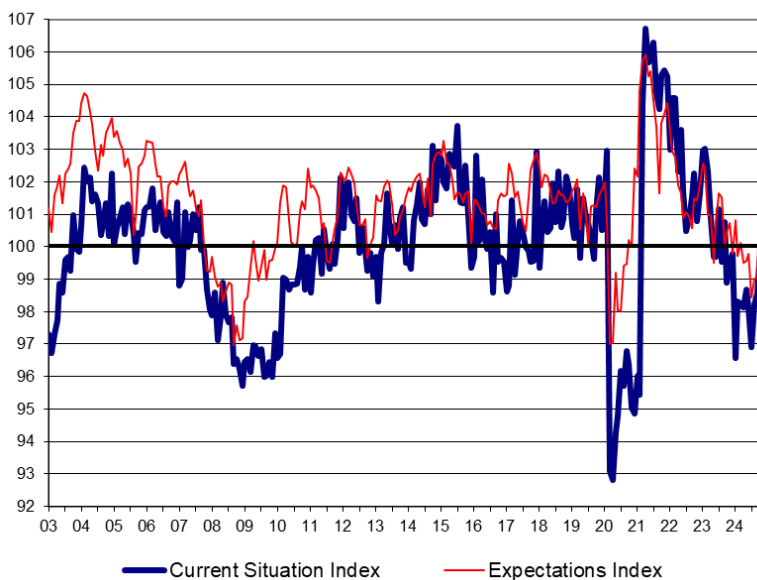
The Expectations Index, which measures restaurant operators’ six-month outlook for four industry indicators (same-store sales, employees, capital expenditures and business conditions), stood at 102.0 – the second consecutive month above the 100 level. Restaurant operators continue to have a positive outlook for sales growth and the economy in the months ahead.

### 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 Higher Same-Store Sales in November**

Restaurant operators reported a net increase same-store sales for the second consecutive month in November, which followed nine straight months of net declines. Fifty-nine percent of restaurant operators said their same-store sales rose between November 2023 and November 2024, up from 51% in October and the highest reading in 16 months. Thirty-two percent of operators said their sales declined in November, down from 44% in October. November represented the strongest net increase in same-store sales since April 2023.

Restaurant operators also reported a net increase in customer traffic in November – the first such occurrence in 20 months. Forty-three percent of operators said their customer traffic rose between November 2023 and November 2024, while 30% said their traffic declined.

Forty-five percent of operators said they made a capital expenditure for equipment, expansion or remodeling during the last three months. That was generally on par with readings during the previous three months.

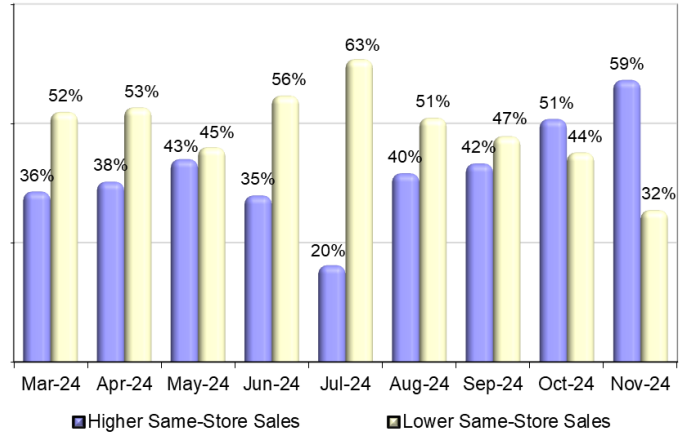
**Restaurant Operators Have a Positive Outlook for Sales and the Economy**

Restaurant operators are generally positive about sales in the months ahead. Forty-five percent of restaurant operators expect their sales volume in six months to be higher than it was during the same period in the previous year. That was essentially unchanged from 46% last month. Only 9% of operators think their sales in six months will be lower than it was during the same period in the previous year. That represented the lowest negative sales reading in 21 months.

Restaurant operators are also cautiously optimistic about the direction of the overall economy. Forty-five percent of restaurant operators said they expect economic conditions to improve in six months. That was up slightly from 44% last month and represented the highest level since July 2021. Twenty percent of restaurant operators think economic conditions will worsen during the next six months, while 35% think conditions will remain about the same as they are now.

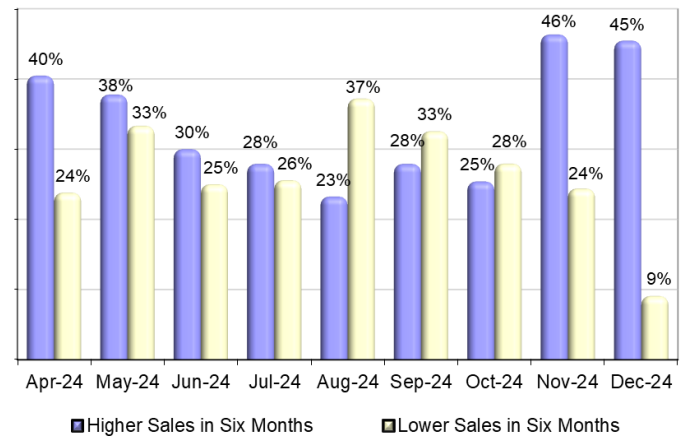
Along with a positive sales outlook, more restaurant operators planning for capital spending in the months ahead. Fifty-three percent of restaurant operators said they plan to make a capital expenditure for equipment, expansion or remodeling during the next six months. That was up from 48% last month and represented the highest reading since June 2024.

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



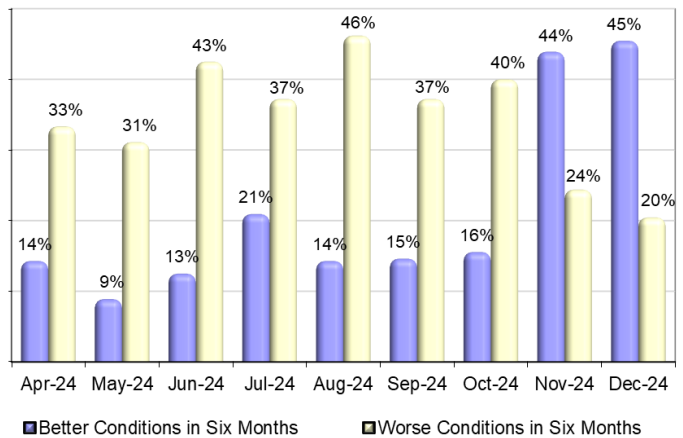
Source: National Restaurant Association, Restaurant Industry Tracking Survey

**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

	July 2024	August 2024	September 2024	October 2024	November 2024	Nov-24 over Oct-24
<b>Restaurant Performance Index</b>	97.7	98.6	98.8	100.4	101.2	0.8%
<b>Current Situation Index</b>	96.9	98.2	98.6	99.5	100.3	0.8%
<i>Current Situation Indicators:</i>						
Same-Store Sales	95.7	98.8	99.4	100.7	102.7	2.0%
Customer Traffic	94.2	96.7	98.0	99.8	101.4	1.6%
Labor	97.5	97.7	97.5	98.3	98.2	-0.1%
Capital Expenditures	100.2	99.6	99.3	99.2	99.1	-0.1%
<b>Expectations Index</b>	98.4	99.0	99.0	101.2	102.0	0.8%
<i>Expectations Indicators:</i>						
Same-Store Sales	98.6	99.5	99.7	102.2	103.6	1.4%
Staffing	98.8	99.1	99.1	101.2	101.4	0.2%
Capital Expenditures	99.5	99.8	99.8	99.6	100.5	1.0%
Business Conditions	96.8	97.7	97.6	102.0	102.5	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

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](http://www.restaurant.org/trendmapper) (subscription required).