

October 2025

Restaurant Performance Index Increased 0.4% in October

The National Restaurant Association's Restaurant Performance Index (RPI) posted a moderate increase in October, driven in part by an improvement in same-store sales. The RPI – a monthly composite index that tracks the health of the U.S. restaurant industry – stood at 99.8 in October, up 0.4% from September. Despite the gain, the RPI remained below 100 in contraction territory for the fourth consecutive month.

Although restaurant operators reported a net increase in same-store sales in October, they reported lower customer traffic for the 9th consecutive month. Restaurant operators have a mixed outlook for sales, but nearly half expect overall economic conditions to deteriorate during the next six months.

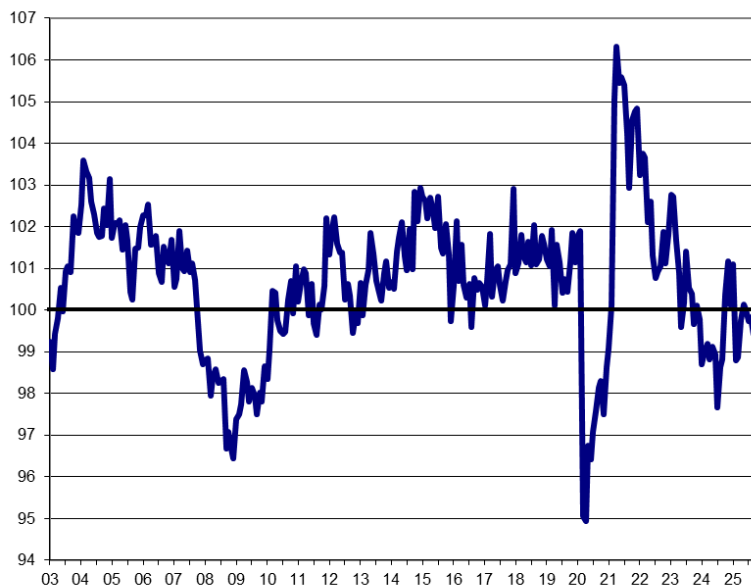
The RPI is constructed so that the health of the restaurant industry is measured in relation to a neutral level of 100. Index values above 100 indicate that key industry indicators are in a period of expansion, while index values below 100 represent a period of contraction. The Restaurant Performance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

Current Situation Index Increased 0.5% to a Level of 99.6 in October; Expectations Index Rose 0.3% to a Level of 100.0

The Current Situation Index, which measures current trends in four industry indicators (same-store sales, traffic, labor and capital expenditures), stood at 99.6 in October – up 0.5% from a level of 99.2 in September. October represented the fourth consecutive month in contraction territory.

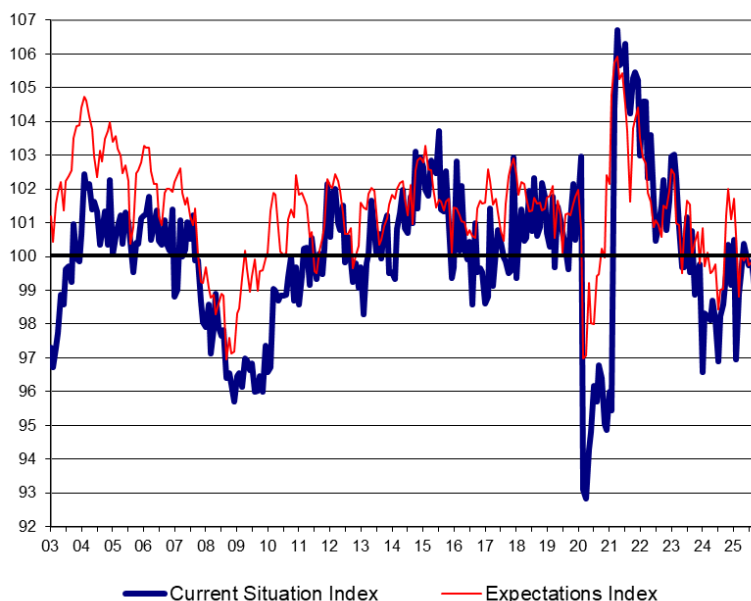
The Expectations Index, which measures restaurant operators' six-month outlook for four industry indicators (same-store sales, employees, capital expenditures and business conditions), stood at 100.0, up 0.3% from the previous month. Restaurant operators have a net positive six-month outlook for sales, staffing levels and capital spending, but they do not expect overall economic conditions to improve.

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 October

Restaurant operators reported a modest improvement in same-store sales in October. Forty-eight percent of restaurant operators said their same-store sales rose between October 2024 and October 2025, up from 45% in September. Thirty-five percent of operators said their sales declined in October, down from 44% in September.

In contrast to the positive sales readings, restaurant operators continued to report customer traffic declines. Thirty-three percent of operators said their customer traffic rose between October 2024 and October 2025, compared to 34% in September. Forty-eight percent of restaurant operators reported lower traffic in October, down from 52% in September. October represented the ninth 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 fifth consecutive month above the 50% level.

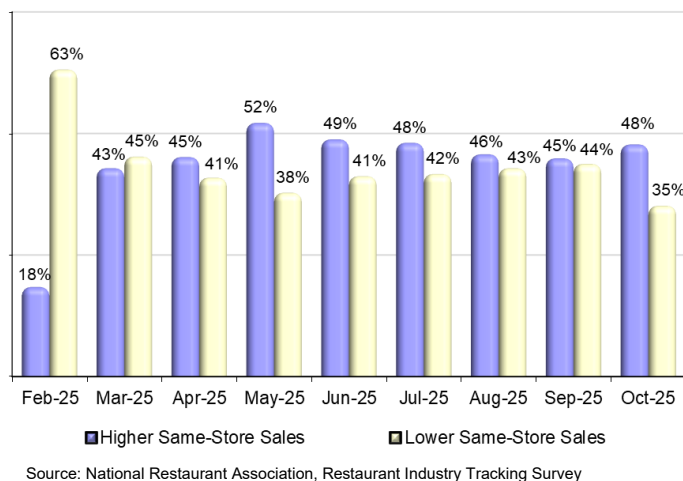
Restaurant Operators Have a Mixed Outlook for Sales and the Economy

Restaurant operators are only modestly 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. That was down from 34% of operators who reported similarly last month. Twenty-four percent of restaurant operators think their sales will be lower in six months, while the remaining 46% of operators expect their sales to remain flat.

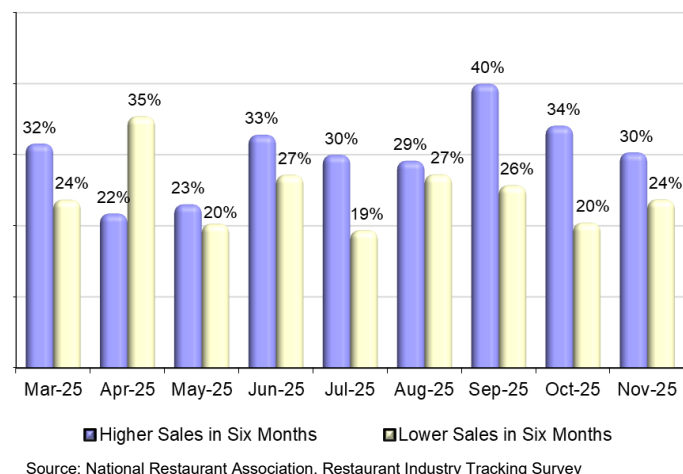
Restaurant operators are much less optimistic about the direction of the overall economy. Twenty-two percent of restaurant operators said they expect economic conditions to improve in six months. That was up from just 11% who reported similarly last month, which represented the lowest reading in 17 months. Forty-six percent of restaurant operators think economic conditions will worsen during the next six months, while 32% 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 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 seventh consecutive month in which a majority of operators reported plans for capital spending.

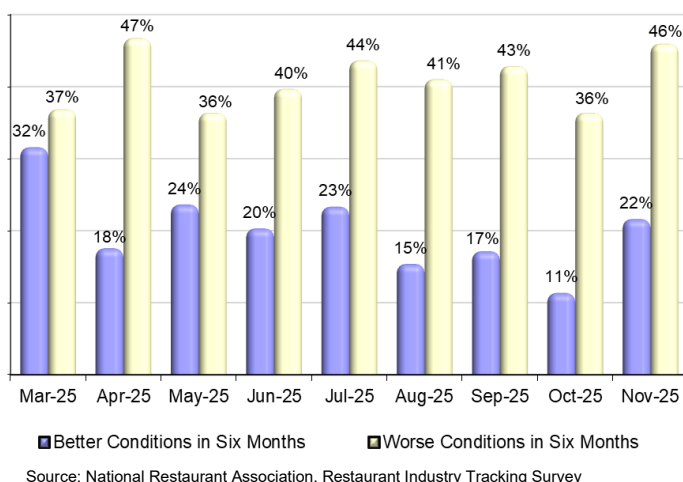
Restaurant Operators' Reporting of Same-Store Sales versus Same Month in Previous Year



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

	June 2025	July 2025	August 2025	September 2025	October 2025	Sep-25 to Oct-25
Restaurant Performance Index	100.0	99.7	99.8	99.4	99.8	0.4%
Current Situation Index	100.0	99.7	99.8	99.2	99.6	0.5%
<i>Current Situation Indicators:</i>						
Same-Store Sales	100.8	100.6	100.3	100.1	101.3	1.1%
Customer Traffic	98.9	99.4	99.6	98.2	98.5	0.3%
Labor	99.8	98.2	98.7	97.9	98.5	0.6%
Capital Expenditures	100.5	100.6	100.8	100.4	100.3	-0.1%
Expectations Index	100.1	99.7	99.8	99.7	100.0	0.3%
<i>Expectations Indicators:</i>						
Same-Store Sales	101.1	100.2	101.4	101.4	100.7	-0.7%
Staffing	100.4	100.3	99.8	99.8	101.1	1.3%
Capital Expenditures	100.8	101.1	100.7	100.2	100.8	0.6%
Business Conditions	98.0	97.4	97.4	97.5	97.6	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