NATIONAL RESTAURANT ASSOCIATION

MONTHLY ECONOMIC BRIEFING

November 17, 2026

For additional insights and analysis, visit the Research section at www.restaurant.org.

BOTTOM LINE: The outlook remains cautiously optimistic. Consumer spending has stayed resilient despite elevated inflation and uncertainty, and dining out remains a priority for many households. Restaurant sales are forecast to rise 4.3% in 2026, or 0.8% in real terms, though risks include renewed Middle East tensions and potential disruptions to oil flows through the Strait of Hormuz.

INDUSTRY HEALTH: ▲SLIGHTLY HIGHER

- **RPI (September): 100.7,** *up from 100.6 in August*
- **Current Situation Index (September):** up from 100.6 to **100.7**, *expanding for fourth straight month*
- **Expectations Index (Sept.): 100.7,** up from 100.6, *with restaurant operators slightly and cautiously optimistic*
- **Same-store sales (Sept.):** *higher for* **54%** *of operators;* **30%** *saw declining sales*
- **Customer traffic (Sept.):** *higher for* **42%** *of operators;* **44%** *saw declining traffic*
- **Sales expectations (Sept.):** *higher for* **41%** *of operators; 19% expect sales to decrease*
- **Top challenges:** *economy (29%), sales (24%),* recruiting employees (17%), *labor costs (10%), food costs (9%)*
- **Restaurant spending (Oct.):** *up* **0.2%**, *or* **7.0% YOY**

LABOR MARKET: ▼ SOFTENING

- **Restaurant jobs added (October): -7,200,** *with just +40,400 YTD and +57,100 YOY*
- **Restaurant labor costs (Oct.):** *up* **42%** *post-pandemic*
- **Job openings (September): 659,000**
- **Quits (September): 719,000,** *remaining elevated*
- **Staffing expectations (Sept.): 75%** *see staffing levels unchanged over next 6 months, with* **15%** *seeing gains*

CONSUMER CONFIDENCE: ▲REBOUNDED

- **Conference Board Consumer Confidence (Oct.): 91.7**, *rebounding from the lowest since April 2014 (Sept., 84.2)*
- **University of Michigan Consumer Sentiment (Nov. preliminary): 51.0,** *up from 48.0 in Oct. but still weak and highly correlated with gas prices*
- **Bright spot:** *Restaurants remain a priority;* **53%** *of consumers went out to eat at a restaurant during the Q3 reference week, down from* **56%** *in the Q2*
- **Red flag: 39%** *of consumers spent less at restaurants in Q3 than in Q2, and* **23%** *spent more*
- **Affordability:** *Half of consumers say that it is more difficult to cover expenses than one year ago.*
- **Dipping into savings: 34%** *of consumers say that they outspent their monthly income every month in Q3, with* **50%** *doing so occasionally*

NEXT RELEASES

- GDP (Q3 Revision): Nov. 25
- PCE Deflator and Personal Income & Spending (October): Nov. 25

TECHNOMIC INSIGHTS: ▲IMPROVING

- **Traffic (November estimate): +0.7% YOY**
- **Same-store sales (November estimate): +4.9% YOY**
- **Average check (November estimate): 4.1% YOY**

MENU PRICES: ▲RISING SOLIDLY

- **Food Away from Home CPI (October): +0.5%** *for the month and* **+4.0%** *over the past 13 months (no Oct. 2025 data)*
- **Food at Home (Groceries, Oct.): +2.2%** *since Sept. 2025*
- **2026 full-year forecast: +3.5% YOY** *for menu prices*

INPUT COSTS: ▲STRENGTHENING IN OCTOBER

- **Wholesale food prices (October): +1.2%,** *building on the 0.4% gain in September;* **-0.5% YOY** *but* **+35%** *since February 2020*
- **Select food costs that have risen over past year (Oct.):** *Fresh vegetables, unprocessed finfish, fats and oils, prepared seafood, wheat flour, beef and veal, milk, processed fruits and vegetables, and soft drinks*
- **Select food costs that have fallen over past year (Oct.):** *Butter, cheese, confectionary materials, eggs, pork, processed poultry, refined sugar, and unprocessed shellfish*

MACRO BACKDROP: ▲RESILIENT, CAUTIOUS

- **GDP (Q3): +3.4%** *at annual rate, boosted by strong AI business investment and decent consumer spending, but pulled lower by net exports.*
- **GDP (NRA 2026 forecast): +2.4%**
- **Retail sales (October) –** *up* **0.5%,** *or* **5.9% YOY**
- **Nonfarm payroll jobs added (Oct.): 165,000,** *averaging 137,000 over that time, which is very solid*
- **Unemployment rate (Oct.): 4.1%,** *down from 4.2% in Sept.*
- **Labor force participation rate (Oct.): 61.9%,** *up for third straight month but down notably year-to-date*
- **Overall CPI (Oct.): 0.5%,** *up* **4.1%** *since Sept. 2025; expected to remain elevated in coming months*
- **Gas prices (National avg., week of 11/16/26): $3.81/gallon**, *up* **87¢/per gallon** *since end of February*
- **Diesel prices (National avg., week of 11/9/26): $5.94/gallon**, *up* **$2.13/gallon** *since end of February*
- **Monetary policy:** *Likely to increase rates again in December after hiking in September amid elevated pricing pressures*
- **Key risks:** *Iran war and geopolitical risks, higher gas prices and interest rates, consumer confidence*
- **Upside risks:** *Resilient spending, "K-shaped" economy, solid wage growth and employment, prioritization of restaurants*

Sources: National Restaurant Association (Restaurant Performance Index and Quarterly Consumer Insights), Bureau of Labor Statistics, Conference Board, Energy Information Administration, University of Michigan