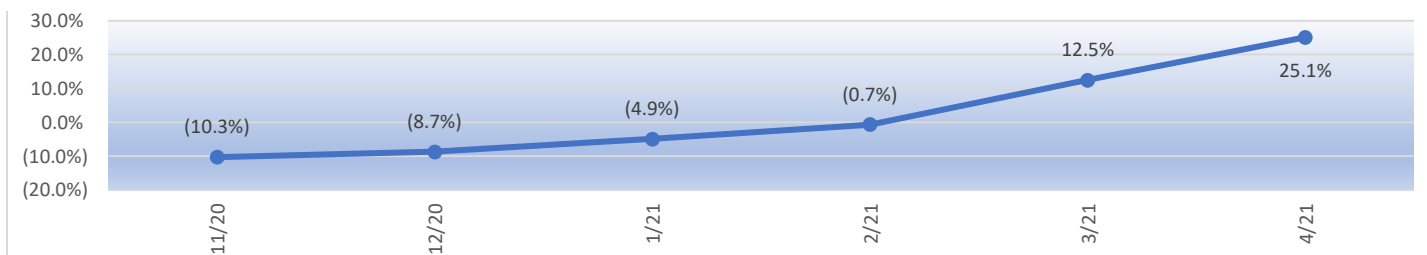


SAME STORE SALES (Source: Compass RCR)



COMMENTS: April SSS showed better than expected results (for most chains recovery). Primarily influenced by weak comparisons and the new Stimulus payments to consumers.

RESTAURANT PERFORMANCE INDEX (Source: National Restaurant Association)

| | | 10/20 | 11/20 | 12/20 | 1/21 | 2/21 | 3/21 |
|---------------------------|-------------------------------------|---------|---------|---------|---------|---------|---------|
| | RESTAURANT PERFORMANCE INDEX | 98.3 | 97.5 | 98.6 | 99.1 | 100.1 | 105.1 |
| CURRENT SITUATIONS | | | | | | | |
| | SSS Increase/Decrease | 30%/70% | 19%/81% | 17%/83% | 29%/71% | 73%/27% | 77%/23% |
| | Capital Spending | 51% | 41% | 45% | 51% | 53% | 58% |
| EXPECTATIONS: | | | | | | | |
| | Sales Outlook Improvement | 36% | 40% | 54% | 59% | 63% | 78% |
| | Economy Outlook Improvement | 33% | 51% | 60% | 56% | 66% | 69% |

SMALL BUSINESS OPTIMISM INDEX (Source: NFIB and Compass RCR)



Operator Optimism increased by 5.1 points to 103.3. This was primarily a result of positive sales continuing to return in April. However, a vast majority of operators are now talking about a labor crisis; not just retaining, but hiring – “no one is even coming in to apply despite offering money incentives just to fill out applications”. These staffing issues are impacting sales and may be a factor as to why some restaurants/markets’ sales are not recovering as quickly to their pre-Covid levels.

CONSUMER SENTIMENT (University of Michigan-Sentiment)

Consumer Sentiment rose 1.6 points in April driven by the new Stimulus Checks and increased sense of safety due to the vaccine. Their outlook for Current Condition rose 4.2 points, the largest single monthly gain in several years. From Datassentials most recent consumer survey of April 2, 2021 on “Reconnecting”, they report consumers appear to sense a light at the end of the tunnel from the 13+ months of lockdown.

| | 11/20 | 12/20 | 1/21 | 2/21 | 3/21 | 4/21 |
|------------------------------|-------|-------|------|------|------|------|
| Consumer Sentiment | 76.9 | 80.7 | 79.2 | 76.8 | 84.9 | 86.5 |
| Current Economy | 87.0 | 90.0 | 87.7 | 86.2 | 93.0 | 97.2 |
| Consumer Expectations | 70.5 | 74.6 | 73.8 | 70.7 | 79.7 | 79.7 |

HEADLINE NEWS:

- Labor shortage is getting worse.
- Chicken Sandwich Wars – the real winners
- As Dine-In options rose, Delivery options declined across all sectors.
- Major shift away from TV advertising in April across the industry.