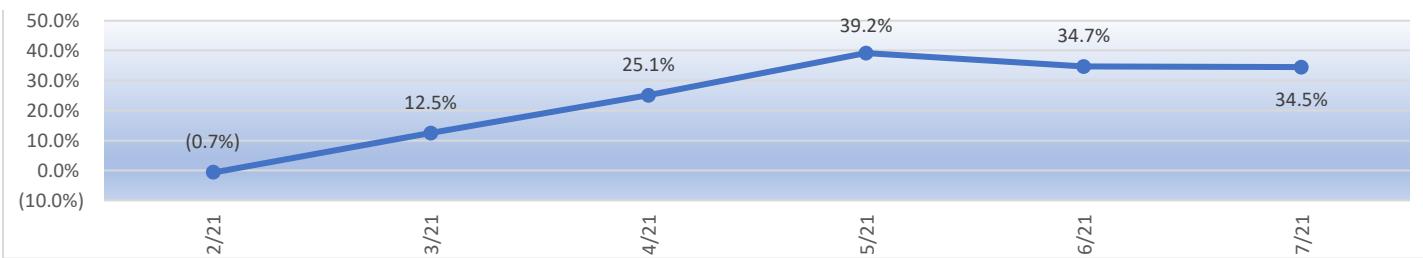


SAME STORE SALES (Source: Compass RCR)



COMMENTS: July's SSS continued to show strong comparisons but momentum slowed; primarily due to the fact that several chains that were strong performers during the pandemic began overlapping difficult comparisons as was the case in June.

RESTAURANT PERFORMANCE INDEX (Source: National Restaurant Association)

	1/21	2/21	3/21	4/21	5/21	6/21
RESTAURANT PERFORMANCE INDEX	99.1	100.1	105.1	106.3	105.5	105.6
CURRENT SITUATIONS						
SSS Increase/Decrease	29%/71%	73%/27%	77%/23%	97%/3%	95%/5%	84%/16%
Capital Spending	51%	53%	58%	74%	68%	72%
EXPECTATIONS:						
Sales Outlook Improvement	59%	63%	78%	77%	75%	75%
Economy Outlook Improvement	56%	66%	69%	64%	74%	74%

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



Operator Optimism increased by 2.9 points to 102.5 for June. We dug a little deeper in our July reporting on labor issues and found 46% of operators reported unfulfilled jobs in July along with reporting on compensation offerings and changes..

CONSUMER SENTIMENT (University of Michigan-Sentiment)

Consumer Sentiment dropped 4.3 points in July largely due to concerns over growing inflation. Consumers misjudged inflation's accelerating rate; thinking it would subside. Additionally, the loss of confidence was driven by consumers expecting the job market to improve at a greater pace. Inflation has put pressure on living standards at a greater pace than the last 15 years causing consumers to pause discretionary purchases.

	2/21	3/21	4/21	5/21	6/21	7/21
Consumer Sentiment	80.7	84.9	88.3	82.9	85.5	81.2
Current Economy	90.0	87.7	93.0	89.4	88.6	84.5
Consumer Expectations	74.6	73.8	79.7	78.8	83.5	78.4

HEADLINE NEWS

- Staffing issues easing in July?
- Inflation – is it transitory?
- Supply shortages – product and labor issues.