NATIONAL RESTAURANT ASSOCIATION

MONTHLY ECONOMIC BRIEFING

September 14, 2026

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

BOTTOM LINE: The outlook remains cautiously optimistic despite mixed fundamentals. Consumer spending is moderating, inflation remains elevated, and the restaurant sector faces headwinds. Risks include renewed Middle East tensions and potential disruptions to oil flows through the Strait of Hormuz. Still, dining out remains a priority for many consumers, supporting resilience, with solid wage growth. Restaurant sales should rise 4.3% in 2026, or 0.8% in real, inflation-adjusted dollars.

INDUSTRY HEALTH: ▲SLIGHTLY HIGHER

- **RPI (July): 100.3,** *up from 100.2 in June*
- **Current Situation Index (July):** unchanged at **100.1,** *expanding slightly after contracting in four prior months*
- **Expectations Index (July): 100.5,** up from 100.4, *with restaurant operators slightly and cautiously optimistic*
- **Same-store sales (July):** *higher for* **47%** *of operators;* **34%** *saw declining sales*
- **Customer traffic (July):** *higher for* **40%** *of operators;* **49%** *saw declining traffic*
- **Sales expectations (July):** *higher for* **42%** *of operators;* **21%** *expect sales to decrease*
- ***Top challenges:*** *economy (32%), sales (19%), labor costs (16%), recruiting employees (16%), food costs (8%)*

LABOR MARKET: ▲SOLID GROWTH

- **Restaurant jobs added (August): 59,200,** *leading job growth in Aug., with just +83,500 YTD and +181,800 YOY*
- **Restaurant labor costs (Aug.):** *up* **42%** *post-pandemic*
- **Job openings (July): 673,000**
- **Quits (July): 503,000**
- **Staffing expectations (July): 68%** *see staffing levels unchanged over next 6 months, with* **18%** *seeing gains*

CONSUMER CONFIDENCE: ▼ ANXIOUS

- **Conference Board Consumer Confidence (August): 89.4**, *remaining subpar, near pandemic-era lows*
- **University of Michigan Consumer Sentiment (Aug.): 51.7,** *down from 55.2 in July, 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

- Retail sales (August): September 16
- FOMC Monetary Policy statement: September 16

TECHNOMIC INSIGHTS: ▼SOFT, IMPROVING

- **Traffic (August estimate): Flat YOY**
- **Same-store sales (August estimate): +3.3% YOY**

MENU PRICES: ▲RISING MORE SLOWLY

- **Food Away from Home CPI (August): +3.4% YoY**, *remaining the slowest pace since January 2025, but with solid growth in recent months, including* **0.3%** *in July and August*
- **Food at Home (Groceries, August): +2.2% YoY**
- **2026 full-year forecast: +3.5% YOY** *for menu prices*

INPUT COSTS: ▼ FOOD COSTS

- **Wholesale food prices (August):** *Down* **0.1%,** *extending the 1.3% decline in July, down* **1.9% YOY** *but up* **33%** *since February 2020*
- **Select food costs that have risen over past year:** *beef & veal, fats & oils, fresh fruit, prepared seafood, processed fruits and vegetables, soft drinks, unprocessed finfish, wheat flour*
- **Select food costs that have fallen over past year:** *butter, cheese, confectionary materials, eggs, fresh vegetables, milled rice, pork, processed poultry, refined sugar, unprocessed shellfish*

MACRO BACKDROP: ▲RESILIENT, CAUTIOUS

- **GDP (Q2): +2.1%** *at annual rate, boosted by strong AI business investment and decent consumer spending, but pulled lower by net exports, inventories, government spending*
- **GDP (NRA 2026 forecast): +2.2%**
- **Nonfarm payroll jobs added (August): 162,000,** *rebounding from softer growth in past 3 months, stronger than expected*
- **Unemployment rate (Aug.): 4.1%,** *still lowest since June '21*
- **Labor force participation rate (May): 61.6%,** *up from 61.4% but trending in wrong direction year to date overall*
- **Overall CPI (July): 0.1%,** *held lower by lower gasoline prices, up* **3.3% YOY;** *expected to rebound in August and September*
- **Gas prices (National avg., week of 9/7/26): $4.08/gallon**, *up* **$1.22/per gallon** *since end of February*
- **Diesel prices (National avg., week of 8/3/26): $5.97/gallon**, *up* **$2.16/gallon** *since end of February to a record high*
- **Monetary policy:** *Likely to increase rates amid elevated pricing pressures at an upcoming meeting, perhaps in Sept.*
- **Key risks:** *Iran war and geopolitical risks, higher gas prices, slowing labor market growth, consumer confidence*
- **Upside risks:** *Consumers continue to spend, "K-shaped" economy, solid wage growth, 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