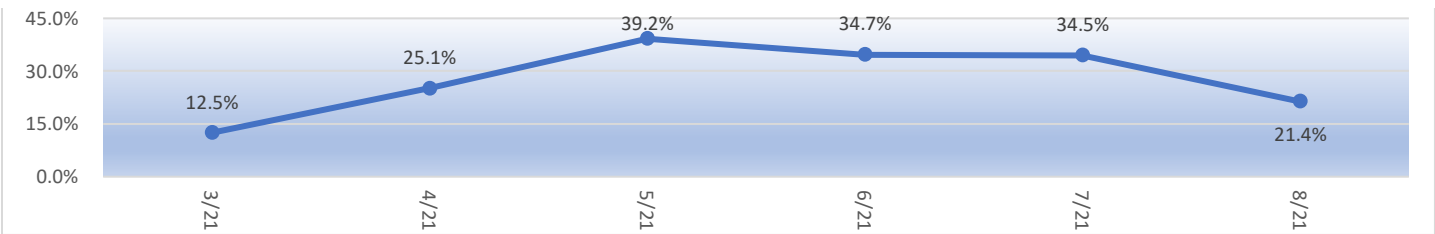


SAME STORE SALES (Source: Compass RCR)



COMMENTS: August'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 since June 2021.

RESTAURANT PERFORMANCE INDEX (Source: National Restaurant Association)

	12/20	1/21	2/21	3/21	4/21	5/21	6/21	7/21
RESTAURANT PERFORMANCE INDEX	98.6	99.1	100.1	105.1	106.3	105.5	105.6	105.2
CURRENT SITUATIONS								
SSS Increase/Decrease	17%/83%	29%/71%	73%/27%	77%/23%	97%/3%	95%/5%	84%/16%	85%/15%
Capital Spending	45%	51%	53%	58%	74%	68%	72%	73%
EXPECTATIONS:								
Sales Outlook Improvement	54%	59%	63%	78%	77%	75%	75%	71%
Economy Outlook Improvement	60%	56%	66%	69%	64%	74%	68%	32%

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



Based on a consensus from conversations with operators, data from the NFIB Survey, and National Restaurant Association's Monthly Survey, SSS increased over 2020 and 2019. Traffic increases were also positive. The most notable change was the drop in operator optimism. The Optimism Index from the NFIB dropped 2.8 points. Components making up this drop were the Uncertainty Index decreased 7 points, overall Business Conditions Expectations declined 8 points, and the increase in Unfilled Job Openings all impacted the decline.

CONSUMER SENTIMENT (University of Michigan-Sentiment)

Consumer Sentiment Index fell by 10.9 points from July according to the Michigan Consumer Survey. This is the worst one-month drop in more than a decade according to Richard Curtin, Chief Economist. From Gallup's August 24, 2021 Consumer Satisfaction Survey, concerns over the surging Delta Variant has risen to the top concern. Per these 2 surveys, consumers are beginning to pause on spending plans and the resulting blow to their hopes of the crisis ending and lives returning to normal.

	3/21	4/21	5/21	6/21	7/21	8/21
Consumer Sentiment	84.9	88.3	82.9	85.5	81.2	70.3
Current Economy	87.7	93.0	89.4	88.6	84.5	78.5
Consumer Expectations	73.8	79.7	78.8	83.5	78.4	65.1

HEADLINE NEWS

- Covid Delta Variant is impacting consumer confidence.
- Inflation soars.
- Restaurant industry within one million jobs of pre-pandemic peak (July BLS).
- Plant based foods expected to be 10% of all protein by 2025.