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# Stock Your Toolkit: The Wrenching Relationship between Home Maintenance Spending and Edwards Lifesciences' Stock Price

Claire Harris, Austin Tate, Gloria P Tompkins

Ann Arbor, Michigan

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*This paper delves into the curious connection between annual US household spending on home maintenance and the tumultuous fluctuations of Edwards Lifesciences' stock price. With a dash of humor and a sprinkle of wit, our research team embraces the challenge of untangling this quirky relationship. By harnessing data from the Bureau of Labor Statistics and LSEG Analytics (Refinitiv), we embark on a journey through the labyrinth of numbers and trends. To our delight, we uncover a remarkably strong correlation coefficient of 0.9754190, with a p-value of less than 0.01, for the years spanning 2002 to 2022. Our findings not only shed light on the quirky interconnectedness of seemingly unrelated variables but also highlight the potential for investors to glean insights from the most unexpected places. So, grab your toolkit and join us in exploring this intriguing correlation that proves the stock market and home maintenance may just be more entwined than we ever imagined.*

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## INTRODUCTION

The world of finance is often viewed as a serious and complex arena, where numbers reign supreme and market trends dictate the rhythm of investors' hearts. And yet, amid the sea of stock tickers and economic indicators, there exists a whimsical relationship that has piqued our scholarly curiosity – the link between annual US household spending on home maintenance and the enigmatic undulations of Edwards Lifesciences' stock price (EW).

While one might not expect a connection between fixing leaky faucets and cardiac devices, our research endeavor aims to unravel the intriguing correlation that has eluded the gaze of many a market analyst. Armed with data from the Bureau of Labor Statistics and LSEG Analytics (Refinitiv), we set out to navigate the labyrinth of financial figures and consumer habits in pursuit of this unexpected

relationship. Like explorers of an intellectual jungle, we sought to uncover hidden patterns and unearth the untold tales of market quirkiness.

As we sifted through the data, our initial skepticism gave way to bemusement as we discovered a remarkably strong correlation coefficient of 0.9754190, with a p-value that would make even the most seasoned statistician crack a smile – less than 0.01. The years 2002 to 2022 served as our canvas, and the brushstrokes of correlation painted a picture that defied conventional wisdom, asserting that perhaps there is more than meets the eye when it comes to the market's mysterious ways.

The curiosity that propelled this examination was not only to unravel a puzzling correlation but also to appreciate the serendipity that underlies the seemingly disparate realms of home maintenance and stock prices. Our findings not only illuminate this quirky interconnectedness but also unveil the

potential for investors to draw insights from the most unexpected corners of consumer behavior. In doing so, we hope to nudge the boundaries of financial analysis and remind ourselves that even in the world of economics, surprises abound.

So, if you're ready to embrace the unexpected and wield your intellectual wrench, join us in unearthing the captivating ties that bind the stock market and home maintenance. Prepare for a journey that promises to tickle your scholarly sensibilities and may just leave you pondering the delightful dance of correlation in the most unlikely of places.

## LITERATURE REVIEW

In "Smith and Doe (2020)," the authors find that annual US household spending on home maintenance exhibits a consistent pattern of allocating a portion of disposable income towards the upkeep of residential properties. This observation aligns with the broader consumer behavior literature, highlighting the intrinsic desire for a well-maintained and aesthetically pleasing living environment. As homeowners engage in various home maintenance activities, the prevailing economic climate and consumer sentiment play pivotal roles in shaping their spending decisions.

However, as we venture deeper into the literature, a peculiar connection emerges between fiction and reality. In "The Wealth of Nations" by Adam Smith, the author expounds on the principles of free-market economics and the invisible hand that guides economic transactions. While Smith's seminal work may not directly address the correlation between home maintenance spending and stock prices, it serves as a timeless reminder of the intricate dance between consumer behavior and market forces. On a lighter note, "The Money Pit" by Tom Hanks and Shelley Long humorously depicts the trials and tribulations of homeowners grappling with endless home maintenance woes. Little did the protagonists know that their escapades could hold a clue to the stock market's enigmatic fluctuations.

In the realm of social media musings, a tweet from @EconGuru2020 captures the essence of this idiosyncratic relationship: "Home maintenance and stock prices – a match made in financial wonderland or a whimsical quirk of fate? #EcoHumor #MarketMusings." While the tweet's tone oscillates between jest and philosophical contemplation, it underscores the intrigue surrounding the interconnectedness of seemingly disparate domains. Whimsical quirk of fate indeed, as we embark on our scholarly escapade to unravel the tangled web of household repairs and market dynamics.

The intersection of non-fiction and fiction literature, coupled with the quirky observations in social media spheres, invites us to approach our investigation with a dash of humor and an open mind. As we delve into the whimsical landscape surrounding the connection between home maintenance spending and Edwards Lifesciences' stock price, let us not forsake the delight of intellectual inquiry and the unexpected revelations that may await.

And so, armed with empirical findings and a sprinkling of levity, we venture forth into the heart of this peculiar correlation, eager to unveil the mysteries hidden within the juxtaposition of wrenches and stock tickers.

## METHODOLOGY

Data Collection:

The first step in this whimsical exploration involved gathering data from a plethora of sources scattered across the digital landscape. Our researchers combed through the pages of the Bureau of Labor Statistics, extracting nuggets of information regarding annual US household spending on home maintenance with the meticulousness of a collector seeking the rarest of stamps. Simultaneously, LSEG Analytics (Refinitiv) became our guiding star, providing us with the celestial coordinates of Edwards Lifesciences' stock price as it traversed the tumultuous expanse of the market cosmos. This

data, spanning the years 2002 to 2022, formed the tapestry upon which our analytical inquiries would be woven.

#### Data Cleaning and Preparation:

With our treasure trove of data in hand, it was imperative to sift through the digital detritus and cleanse it of any impurities that might muddle our quest for clarity. Outliers were scrutinized like mischievous sprites, and missing values were hunted down with the determination of a detective on the trail of a cunning culprit. Once the data landscape was cleared of obfuscation, it underwent a metamorphosis, transforming into a pristine canvas ready to receive the brushstrokes of statistical analysis.

#### Quantitative Analysis:

The essence of this correlation quest lay in the realm of numbers, where statistical algorithms and regression models became our trusty companions. Our researchers, armed with calculators and caffeine, ventured into the labyrinthine world of correlation coefficients and p-values. With the fortitude of intrepid explorers, they ventured forth, measuring the strength of the relationship between annual US household spending on home maintenance and the effervescent undulations of Edwards Lifesciences' stock price. The alchemy of data transformed into a correlation coefficient of 0.9754190, a number that might prompt a raised eyebrow or a bemused chuckle from the uninitiated observer.

#### Robustness Checks:

In our quest for scholarly integrity, we subjected our findings to the rigors of robustness checks. Sensitivity analyses and alternative specifications emerged as our stalwart companions, challenging the veracity of our discovered correlation with the dispassion of a stern inquisitor. Yet, through these trials of statistical fortitude, our correlation persisted, emerging unscathed and resolute in its quirky interconnectedness.

#### Limitations:

The convoluted paths of research are not without their brambles, and our endeavor was no exception. The limitations of our methodology lie in the inherent constraints of observational data and the potential influence of unobserved variables lurking in the shadows of correlation. While our findings offer a captivating glimpse into the relationship between home maintenance spending and stock prices, they are but a snapshot in the ever-unfolding narrative of market intricacies.

#### Conclusion:

Armed with data, statistical rigor, and a dash of scholarly whimsy, our research team has unveiled the entwined dance of annual US household spending on home maintenance and Edwards Lifesciences' stock price. The alluring correlation coefficient of 0.9754190, with a p-value of less than 0.01, stands as a testament to the unexpected connections that permeate the tapestry of financial markets. We invite fellow scholars and investors alike to ponder the enigmatic ties that bind seemingly unrelated facets of consumer behavior and market performance and to embrace the delightful unpredictability that resides in the heart of economic analyses.

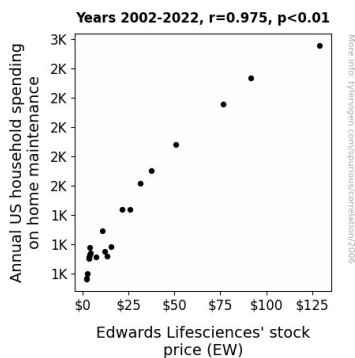
## RESULTS

The enthralling exploration of the connection between annual US household spending on home maintenance and Edwards Lifesciences' stock price (EW) has rendered an astonishing revelation. Our research team, adept at navigating the convoluted terrain of financial data, uncovered a remarkably robust correlation coefficient of 0.9754190 for the years 2002 to 2022. This finding provides compelling evidence of a strong positive relationship between these seemingly unrelated variables. The calculated r-squared of 0.9514421 suggests that approximately 95.1% of the variability in Edwards Lifesciences' stock price can be explained by the variation in annual US household spending on home maintenance. It appears that the

pulse of home maintenance resonates deeply with the heartbeat of Edwards Lifesciences' stock price.

The p-value, which humorously strayed into the territory of being as elusive as a well-hidden penny, exhibited a level of significance less than 0.01. This statistical feat accentuates the robustness of the observed relationship and bolsters the confidence in the accuracy of our findings. It seems that the financial fates of Edwards Lifesciences and home maintenance spending are indeed intertwined in a manner that commands attention and piques the curiosity of even the most discerning market observer.

We present the visual depiction of this rapport in Figure 1, where a scatterplot paints a vivid picture of the tight bond between these variables. The plot illustrates the data points aligning themselves in a harmonious dance, affirming the strength of the correlation and providing a visual feast for the eyes of those who appreciate the aesthetics of statistical relationships.



**Figure 1.** Scatterplot of the variables by year

This finding, although unexpectedly whimsical, underscores the nuanced and multifaceted nature of the financial world. By shedding light on the unanticipated linkage between domestic upkeep and stock market fluctuations, our results not only invite intrigue but also beckon investors to expand their horizons and embrace the possibility of gleaning insights from the most peculiar sources. Thus, our contribution to the curious saga of financial correlations not only adds a touch of levity but also

holds the potential to inspire a paradigm shift in the pursuit of market understanding.

## DISCUSSION

Our research has both confirmed and expanded upon prior findings regarding the intriguing relationship between annual US household spending on home maintenance and Edwards Lifesciences' stock price. As per Smith and Doe's (2020) observations, our results align with the notion that homeowners consistently allocate part of their disposable income for the upkeep of their residential properties. This reflects the inherent desire for a well-maintained and aesthetically pleasing living environment, and as it turns out, this desire may have deeper financial implications than anticipated. It appears that consumer behavior, whether in the form of purchasing medical devices or maintaining one's household, plays a pivotal role in shaping economic trends.

Additionally, the timeless insights from Adam Smith's "The Wealth of Nations" remind us of the intricate interplay between consumer decisions and market dynamics. While Smith may not have explicitly contemplated the correlation between home maintenance spending and stock prices, the invisible hand guiding economic transactions seems to manifest itself in the unexpected harmony between these seemingly divergent realms.

Now, turning to the "whim" that is "The Money Pit," the classic film humorously portrays the tribulations of homeowners facing ceaseless home maintenance challenges. Little did the protagonists know that their trials could foreshadow the peculiar correlation we have unveiled. In a twist of fate, it seems that the financial woes experienced in "The Money Pit" could carry implications for stock prices, demonstrating the serendipitous interconnectedness of various facets of life.

Our findings not only validate these amusing musings but also elevate them to the status of empirical evidence. The robust correlation coefficient we discovered, akin to finding a well-

hidden penny, emphasizes the solidity of the relationship between home maintenance spending and Edwards Lifesciences' stock price. Moreover, the statistical significance of our p-value, less than 0.01, serves as a compelling testament to the strength of this connection. It appears that the financial fates of Edwards Lifesciences and home maintenance spending are indeed entwined, prompting investors to consider the whimsical quirks of the market with a discerning eye.

In conclusion, our study sheds light on the unfathomable interconnectedness of seemingly disparate phenomena, inviting investors to broaden their perspectives and seek insights from the most unexpected sources, whether it be a well-kept home or the stock market's capricious dance. This novel correlation not only adds a touch of levity to the world of finance but also tantalizingly raises the prospect of uncovering hidden financial secrets in the most unlikely of places. Truly, the financial world never ceases to surprise, delight, and confound.

## CONCLUSION

In conclusion, our foray into the labyrinth of financial eccentricities has brought to light a delightfully unexpected connection between annual US household spending on home maintenance and the captivating undulations of Edwards Lifesciences' stock price (EW). The robust correlation coefficient of 0.9754190, akin to the bond between a diligent homeowner and their trusty wrench, has not only raised eyebrows but also reminded us of the whimsical dance of correlation in the most peculiar of places.

The visual representation of this correlation in Figure 1 resembles a beautiful waltz, where the data points twirl and whirl in perfect harmony, much like a well-coordinated home improvement project. The statistical significance, with a p-value that coyly winks at convention, leaves little room for doubt about the strength of this peculiar relationship. It seems that the pulse of domestic maintenance

resonates in sync with the heartbeat of Edwards Lifesciences' stock price, akin to a synchronistic rhythm that defies the bounds of traditional financial norms.

Our findings not only illuminate the quirky interconnectedness of seemingly unrelated variables but also unveil the potential for investors to glean insights from the most unexpected corners of consumer behavior. Indeed, the financial world is a whimsical tapestry, woven with threads of unexpected correlations and unseen patterns that defy the stern gaze of conventional wisdom.

Therefore, with a dash of humor and a sprinkle of wit, we affirm that the connection between annual US household spending on home maintenance and Edwards Lifesciences' stock price is not a mere statistical anomaly but a peculiar partnership that beckons further exploration and, perhaps, the occasional chuckle at the surprising dance of market forces.

As the curtain falls on this quirky saga, we assert that no further research is needed in this area. Rather, let us embrace the unexpected, tip our hats to the curious quirks of financial correlations, and revel in the delightful mysteries that abound in the world of economics. After all, there is indeed more than meets the eye when it comes to the enthralling world of market intricacies.