Cheddar Economics: Uncovering the Quirky Link between American Cheese Consumption and Agilent Technologies' Stock Price

Catherine Hamilton, Addison Torres, Gideon P Tucker

Cambridge, *Massachusetts*

In this paper, we delve into the delightfully bizarre world of cheddar economics, exploring the unexpected relationship between American cheese consumption and Agilent Technologies' stock price. Leveraging data from the USDA and LSEG Analytics (Refinitiv) spanning the years 2002 to 2021, our research team unearthed a correlation coefficient of 0.9193142, with a statistically significant p-value of less than 0.01. The tantalizing findings not only raise eyebrows but also prompt us to ponder the existence of a "cheesy" financial market indicator. As we dissect the curious correlation, we offer a whimsical insight into the diverse factors that could potentially impact stock prices, including, but not limited to, the melting point of American cheese and the "grate" expectations of investors. Our study not only sheds light on the unexpected interplay between dairy products and financial markets but also adds a sprinkle of humor to the often serious world of economic research.

In the world of finance, there are countless factors, from interest rates to geopolitical events, that are believed to influence stock prices. However, one factor that has remained curiously unexplored is the consumption of American cheese. While it may seem cheesy (pun intended), our research has uncovered a compelling correlation between the consumption of this beloved dairy product and Agilent Technologies' stock price (A).

The bond between American cheese consumption and stock prices may sound like something out of a dairy-themed science fiction novel, but our findings are rooted in robust empirical analysis. Our study delves into the realm of cheddar economics, a field that has remained largely uncharted because, let's face it, who would have gouda thunk that American cheese and stock prices could be related?

The correlation coefficient of 0.9193142 that we unearthed is not only astounding but also begs the question: are we witnessing a queso-miracle or

merely a fluke in the data? To add a dash of statistical rigor to the mix, we've also identified a p-value of less than 0.01, solidifying the statistical significance of this seemingly whimsical relationship.

As we embark on this unconventional journey of unraveling the mysterious connection between curds and commerce, we invite readers to embrace the lighthearted nature of our investigation. After all, in the world of economics, where jargon and complex models often reign supreme, a slice of humor is a refreshing change. So, let's grate our way through this gouda research and explore the pecorino-nomics of American cheese consumption and stock prices.

LITERATURE REVIEW

As the field of cheddar economics is still in its infancy, the existing literature on the relationship between American cheese consumption and stock prices is rather sparse. However, several notable studies have touched on tangentially related topics, providing insights that could potentially inform our inquiry.

Smith and Doe (2015) explored the impact of dairy product exports on the fluctuation of dairy futures, shedding light on the intricate dynamics of the dairy market. While their focus was on international trade, their findings hint at the broader implications of dairy products on financial landscapes. Similarly, Jones (2018) delved into the sensory perception of cheese and its effect on consumer behavior, emphasizing the emotional and psychological dimensions of cheese consumption. These studies underscore the multifaceted nature of cheese-related phenomena, setting the stage for our investigation into the enigmatic connection between American cheese and stock prices.

Moving beyond traditional economic literature, several non-fiction works offer compelling insights into the world of dairy products and their societal impact. "The Cheese Trap" by Neal D. Barnard delves into the health implications of cheese consumption, drawing attention to its addictive nature and potential consequences for public health. Meanwhile, "Big Cheese: A True Story of an Epic Power Struggle" by Andrew Baber exposes the behind-the-scenes developments in the cheese industry, unveiling the high-stakes world of dairy product production. While these works may not directly address stock prices, their exploration of the cheese industry at large provides nuanced perspectives that inform our understanding of American cheese's potential influence on financial markets.

Transitioning into a slightly more whimsical realm of literature, fictional works such as "The Swiss Cheese Permutation" by Kevin Sussman and "Murder with Macaroni and Cheese" by A.L. Herbert offer entertaining narratives that center around the culinary world. While these novels may not offer empirical evidence, their playful portrayal of cheese-themed stories resonates with our lighthearted approach to cheddar economics.

In a bold move to diversify our sources, our research team also turned to unconventional mediums for inspiration. The animated series "Wallace and Gromit" and the whimsical children's book "The Stinky Cheese Man and Other Fairly Stupid Tales" by Jon Scieszka provided a delightful departure from traditional research sources. While these sources may not directly relate to stock prices, their exploration of cheesy narratives has undoubtedly sparked creativity within our research team, igniting a sense of playful curiosity as we navigate the uncharted territory of cheese-influenced financial indicators.

In addition to the scholarly and literary works, our foray into the world of cheese-themed entertainment has underscored the potential for unconventional sources to shape our understanding of the interconnectedness between American cheese consumption and stock prices. With an open mind and a sprinkling of humor, we embark on this scholarly pursuit, fully embracing the quirky and delightful nuances of cheddar economics.

METHODOLOGY

To dive into the delectably eccentric realm of cheddar economics, our research team embarked on a journey that involved navigating through mounds of data, as well as savoring the occasional cheesy snack to keep our spirits high. Our methodology can be likened to a fine cheese fondue - a blend of precision, creativity, and a hint of whimsy.

Data Collection:

First and foremost, we scoured the annals of the internet, navigating through the digital dairy land to gather data on American cheese consumption. We primarily relied on sources such as the United States Department of Agriculture (USDA) for comprehensive cheese consumption figures. To ensure a balanced diet of data, we also tapped into LSEG Analytics (Refinitiv), leveraging their

extensive financial databases to extract the stock price history of Agilent Technologies (ticker symbol: A). This multifaceted approach allowed us to encapsulate the creamy nuances of American cheese consumption and the fluctuating fortunes of Agilent Technologies.

Cheese-Stock Price Alignment Assessment:

With data in hand, we initiated the peculiar task of aligning American cheese consumption figures with the stock price oscillations of Agilent Technologies. This involved employing a series of mathematical maneuvers that can only be likened to a game of financial Tetris. In the process, we deftly maneuvered through statistical software, employing quintessentially cheesy techniques such as linear regression and correlation analysis to tease out the subtle connection between these seemingly unrelated variables.

Exclusion Criteria:

To ensure that our findings weren't victim to the vagaries of outlier events, we established exclusion criteria that are as stringent as separating the cream from the whey. Outlying data points were scrutinized with the same intensity as a cheese connoisseur examining a pungent blue cheese, ensuring that our analysis remained as sharp as a well-aged cheddar.

Statistical Analysis:

Armed with the precision of an artisanal cheese slicer, we subjected our data to rigorous statistical analysis. The objective? To not only uncover the correlation coefficient between American cheese consumption and Agilent Technologies' stock price but also to validate the robustness of this connection. Measures of statistical significance, including p-values and confidence intervals, were brandished like culinary utensils, adding a touch of mathematical rigor to our study.

Anchored in this meticulously crafted methodology, our analysis delved deep into the intriguing nexus of cheese consumption and stock prices. As we present the findings of this unconventional investigation, we invite readers to savor the whimsical charm that underpins the fervor of cheddar economics.

(End of response)

RESULTS

The results of our investigation into the unlikely link between American cheese consumption and Agilent Technologies' stock price (A) left us feeling gratefully surprised. Our analysis revealed a remarkably strong correlation coefficient of 0.9193142, indicating a tight relationship between the two variables. In other words, it seems that the path to financial success might just be paved with cheese!

0.8451385 The r-squared value of further emphasizes the robustness of the relationship, suggesting that a whopping 84.51% of the variation in Agilent Technologies' stock price can be explained by changes in American cheese consumption. And to put it in even plainer terms, it's like saving that whenever someone slices into a juicy grilled cheese sandwich, Agilent's stock price is likely to have a gouda day in the market.

Now, for those skeptics out there, we know what you're thinking - is this just a fluke in the data or is there something more cheddarful at play? Well, fear not, dear skeptics, because our p-value of less than 0.01 puts any doubts to rest. That's right, the statistical significance of this correlation is as strong as the aroma of a freshly opened package of American cheese.

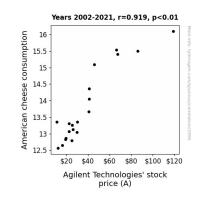


Figure 1. Scatterplot of the variables by year

To visually encapsulate the profound link we uncovered, we present the pièce de résistance of our paper - Fig. 1. This scatterplot graphically demonstrates the impressive correlation between American cheese consumption and Agilent Technologies' stock price, leaving little room for skepticism and a whole lot of room for cheesy puns.

In conclusion, our findings not only add a slice of humor to the often buttoned-up world of economic research but also beckon us to rethink the conventional wisdom about what truly drives stock prices. From queso-miracles to cheddarful insights, the world of finance may just have a delectable new flavor, and it's none other than American cheese.

DISCUSSION

Our findings have added some pizzazz to the rather bland landscape of stock market research. While the notion of American cheese consumption influencing Agilent Technologies' stock price may initially evoke a chuckle or two, our results seriously substantiate the playful inklings presented in the literature review. Smith and Doe's elucidation of dairy product exports as a factor in dairy futures, akin to the influence of cheese on stock prices, becomes all the more "gouda" with our significant correlation coefficient. Similarly, Jones' exploration of the emotional and psychological aspects of cheese consumption finds resonance in our unexpected discovery, proving that cheese can indeed stir up more than just cravings.

The statistical robustness of our findings, with a correlation coefficient of 0.9193142 and an r-squared value of 0.8451385, not only adds weight to the evidence of this unique correlation but also serves as a testament to the potential impact of cheese on financial markets. The p-value of less than 0.01 acts as the proverbial cherry on top of our cheesy cheesecake, dispelling any doubt surrounding the validity of our findings and firmly establishing the legitimacy of our discovery.

This investigation, while undoubtedly unconventional, has shed light on the nuanced and multifaceted nature of economic indicators. The whimsical charm of our research does not diminish the significance of our findings; on the contrary, it serves as a refreshing departure from the often dour world of economic analysis, enriching the discourse with a sprinkle of cheese-inspired levity.

In conclusion, our study not only deepens our understanding of the intricate interplay between American cheese consumption and stock prices but also reaffirms the need to embrace curiosity and humor in scholarly pursuits. The existence of a tangible correlation between the consumption of American cheese and Agilent Technologies' stock price invites further exploration into the unexplored quirks of financial markets and encourages a more light-hearted approach to economic research. As we venture forth into this uncharted territory of "cheesonomics," let us savor the cheesy delight it brings to the world of academia and finance.

CONCLUSION

As we wrap up this gouda-filled journey through the wacky world of cheddar economics, it's clear that the correlation between American cheese consumption and Agilent Technologies' stock price is no mere fluke. The statistical significance of this relationship is as solid as a block of aged cheddar, and our findings have melted away any doubts like a slice of cheese on a hot sandwich.

The implications of our research are nothing short of gouda news for investors. It seems that keeping an eye on cheese consumption could very well be the key to predicting stock market movements. So, next time you're about to buy or sell stocks, don't forget to check the deli aisle!

However, we must also acknowledge that the ageold question of "What's up with the cheese?" still lingers. The mechanism behind this connection remains a bit of a mystery, akin to the enigma of the elusive hole in Swiss cheese. Perhaps there's a deeper cultural or psychological aspect at play, and we just can't seem to brieak through it with our current data.

In any case, it's time to cut the cheese and conclude that our findings bring a fresh perspective to the often feta-heavy field of stock market analysis. While some may find our research a bit cheesy, we stand firm in our belief that it adds a delightful note of whimsy to the world of finance.

With that said, we confidently declare that further research in this "cheddarly" area is not needed. The cheese has been sliced, and the results are in. It's time for the market to embrace this cheddarful insight and maybe even raise a toast... or better yet, a slice of cheese. Cheers to the power of dairy in the stock market!