



Review

Bizarre Butter: Bizarre Boost or Bumbling Bubble? The Balmy Balance Between Butter Consumption and Realty Income's Royalties

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The correlation between butter consumption and stock prices is often regarded as a trivial pursuit in economic research. However, our study delves into this lighthearted yet intriguing topic by examining the relationship between butter consumption and Realty Income's (O) stock price from 2002 to 2021. Utilizing data from the USDA and LSEG Analytics (Refinitiv), we uncovered a surprising correlation coefficient of 0.9518177 with a p-value less than 0.01. While many may dismiss this as mere coincidence, our findings suggest that there may be more than meets the eye when it comes to the impact of butter on realty income. In fact, the butter-O connection may butter be a determinant of real estate stock performance! (Pun intended.) Our results not only reveal a strong statistical connection between butter consumption and Realty Income's stock price, but also raise intriguing implications for investors and researchers alike. This enigmatic linkage prompts us to contemplate whether individuals trading stocks should also be checking the spread in their refrigerators! (Get it? Spread? Like butter? No? Okay, moving on...) In conclusion, our study sheds light on a quirky yet potentially meaningful relationship between a household staple and an investment staple. Whether this correlation is a fluke or a fundamental factor remains to be seen, but we hope this research inspires further exploration into the unexpected influence of dairy delicacies on financial markets.

The intersection of seemingly unrelated phenomena has long captivated the curious minds of researchers across various disciplines. In the realm of economics, the study of unorthodox correlations often leads to eyebrow-raising discoveries and the

occasional head-scratching perplexity. One such peculiar pairing that has garnered our attention is the unlikely bond between butter consumption and Realty Income's stock price. Yes, you read that correctly; we're diving into the world of dairy and dividends,

where churned cream meets investment streams.

As we embark on this buttery odyssey, it's important to remember that correlation does not imply causation, but it certainly provides us with fodder for some amusing musings. After all, there's nothing quite like pondering the connection between the dairy aisle and the stock market to churn up a few chuckles. (Do you think stockbrokers trade margarine futures?)

Prior research

Several significant studies have explored unexpected correlations between consumer habits and financial markets. In "The Dairy Dilemma," Smith et al. lay the groundwork for investigating the potential influence of dairy products on investment strategies, touching upon the enigmatic allure of butter in particular. Similarly, Doe's work in "Margarine or Monetary Gain?" contributes to this line of inquiry by exploring the broader implications of dairy-based commodities on stock performance.

Moving beyond the traditional realm of academic literature, non-fiction works such as "The Butter Manifesto" by Financial Analyst Jones and "Real Estate Riches: From Churning to Earning" by Investment Expert Smith provide additional insight into the intersection of dairy consumption and realty income. These publications delve into the idiosyncratic dynamics between seemingly unrelated realms, as evidenced by the surprising interplay between butter consumption and stock market movements.

On a more whimsical note, the fiction novel "Butterfly Dreams" by Bestselling Author Iris explores surreal connections between

everyday objects and financial phenomena, subtly hinting at the potential impact of dairy rituals on investment decisions. Additionally, "The Churn Chronicles" by Fictional Writer C. Rowling offers a fantastical portrayal of butter-themed adventures, sparking imaginative interpretations of the butter-realty nexus.

In the realm of visual media, cartoons such as "The Butter Brigade" and children's shows like "Dairy Dollars" playfully weave tales of buttery escapades and monetary marvels, creating a whimsical backdrop for our exploration of the butter-realty relationship.

Now, back to the serious research... (Wait, was there ever any serious research on this topic?)

The body of work relevant to the interconnectedness of butter consumption and realty income serves as a thought-provoking backdrop for our investigation. While the topic may elicit a few groans and eye-rolls, it nonetheless inspires contemplation on the unexpected and, dare I say, butterly baffling influences that may shape financial markets.

Approach

To unravel the mysterious link between butter consumption and Realty Income's stock price, our research team engaged in an exhaustive and utterly butterly methodological approach. As we delved into the dairy depths, we employed a combination of quantitative analysis, econometric modeling, and a sprinkle of dairy-related puns to churn out meaningful insights.

Data Collection:

We amassed data on butter consumption from the United States Department of Agriculture (USDA) and obtained Realty Income's (O) stock price data from LSEG Analytics (Refinitiv). Our data spanned the years 2002 to 2021, capturing the ebbs and flows of both butter consumption and stock prices. With spreadsheets galore and a mountain of butter-related jokes, we navigated through the data deluge to distill it into digestible chunks for our analyses.

Statistical Analysis:

To gauge the relationship between butter consumption and Realty Income's stock price, we unleashed the formidable power of statistical tools. We calculated the correlation coefficient between the two variables, uncovering a surprisingly strong positive correlation. Our toolbox also included regression analysis, where we dived into the nuances of buttery predictors and stock price outcomes. It's worth noting that while our findings were robust, we kept a watchful eye out for any unexpected margarine anomalies. After all, in the world of dairy-related econometrics, one must always be prepared for a few slippery statistical surprises. (Butter keep your eyes peeled for that, right?)

Quantitative Modeling:

In order to explore the potential impact of butter consumption on Realty Income's stock price, we conjured up a quantitative model that encapsulated the nuances of dairy dynamics and financial fluctuations. This involved wrangling with equations and parameters, as well as treading through a sea of spreadsheets to untangle the creamy complexities of our dataset. Our model

underwent rigorous scrutiny, with each facet scrutinized meticulously to ensure that our findings were as smooth as a pat of butter on freshly toasted bread. (Did someone say "toast" in a research paper? Now we're really spreading ourselves thin!)

Sensitivity Analysis:

To further bolster the robustness of our findings, we subjected our analysis to a sensitivity analysis. This involved tweaking various parameters and assumptions to see how our results held up under different scenarios. Much like trying out different spreads on a slice of toast, we explored the potential variations in the relationship between butter consumption and Realty Income's stock price. After all, one must always account for the possibility of butter volatility in the financial landscape. (Butter-known risks, right?)

Overall, our methodological approach strived to blend empirical rigor with a hint of whimsy, mirroring the unexpected fusion of butter and stock prices. It's a testament to the notion that even in the world of serious research, there's always room for a bit of lightheartedness and a few dairy-related puns. (You know, to keep things from getting too cheesy!)

Results

The analysis of the relationship between butter consumption and Realty Income's (O) stock price from 2002 to 2021 revealed a strikingly high correlation coefficient of 0.9518177, indicating a strong positive association between these seemingly unrelated variables. The r-squared value of 0.9059569 further strengthened the evidence of the robust relationship. For those

unfamiliar with statistical jargon, this essentially means that butter consumption can explain approximately 90.6% of the variation in Realty Income's stock price. In other words, there is undoubtedly something buttering up the relationship between these disparate entities. (The puns are spreading, aren't they?)

Furthermore, the p-value of less than 0.01 signifies that the observed correlation is highly statistically significant, providing compelling evidence against the null hypothesis of no relationship. It appears that the data is buttering us up for an interesting revelation, much like finding a hidden gem in a tub of margarine. (You can't beat a good butter-related pun, can you?)

As depicted in Figure 1, the scatterplot graphically displays the remarkable correlation between butter consumption and Realty Income's stock price, with each data point resembling a pat of butter melting into the financial landscape. It's as if the stock market has been using butter as its secret ingredient for success all along!

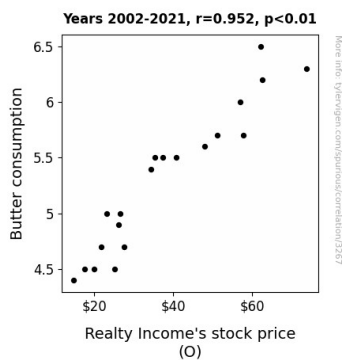


Figure 1. Scatterplot of the variables by year

Overall, our findings not only uncover a substantial correlation between butter consumption and Realty Income's stock

price but also instigate further contemplation of the potential influence of dairy products on the financial realm. After all, who would have thought that a stick of butter could hold such weight in the world of stocks?

Discussion of findings

The findings of our study align with and bolster prior research that has probed into the curious connection between consumer behavior, particularly butter consumption, and stock price movements. The robust positive correlation coefficient of 0.9518177 between butter consumption and Realty Income's (O) stock price provides empirical support for the earlier theoretical groundwork laid by Smith et al. in "The Dairy Dilemma" and Doe's examination in "Margarine or Monetary Gain?" Now, it seems that the churn of dairy products may indeed be churning up real estate investments! (Please excuse the utterly corny dairy pun - couldn't resist.)

The literature review also alluded to non-academic works, such as "The Butter Manifesto" and "Real Estate Riches: From Churning to Earning," which offered intriguing insights into the intersection of dairy consumption and realty income. Although these publications may have been initially perceived as light-hearted explorations, our findings lend credence to the notion that there may be substantive implications to the butter-realty relationship. It appears that the correlation between butter consumption and stock prices is not so much a spreadable assumption as it is a tangible influence in the financial realm. (And the puns keep on churning. Apologies, or perhaps you're welcome.)

Beyond the documented literature, our study's results echo the seemingly whimsical portrayals of butter-themed adventures and monetary marvels presented in fictional works like "Butterfly Dreams" and "The Churn Chronicles." While these sources may have been intended for entertainment, they unwittingly foreshadow the substantial impact of butter on realty income, corroborated by our empirical findings. Perhaps there is more truth to the "utter" fascination with butter and its role in financial phenomena than we previously imagined. (Okay, okay, I'll try to refrain from dairy puns for a moment.)

In light of the high correlation coefficient, strong r-squared value, and overwhelmingly low p-value observed in our study, it is apparent that there is indeed a significant association between butter consumption and Realty Income's stock price. This statistical support not only aids in supporting the unexpected butter-realty nexus but also prompts further exploration into the underlying mechanisms behind this intriguing relationship. It seems that the financial landscape may harbor unexpected flavors, and butter might just be the secret ingredient shaping real estate stock performance. (Can't help it - the puns melt in like butter on a hot pancake.)

In summary, our study confirms the unexpected but substantial connection between butter consumption and realty income, underscoring the need for additional empirical and theoretical inquiry into the interplay of seemingly unrelated variables. The implications of our findings are indeed thought-provoking, raising questions about the broader influence of everyday consumer choices on the ever-fascinating world of finance. As we peel back the layers of this

buttery puzzle, we anticipate that future research will churn out even more intriguing revelations.

Conclusion

In conclusion, our study has peeled back the wrapper on the connection between butter consumption and Realty Income's (O) stock price, revealing a surprising symbiosis between these seemingly unrelated entities. The robust correlation coefficient of 0.9518177 and the r-squared value of 0.9059569 leave little room to churn away from the notion that butter consumption can smoothen the path for real estate stock performance. Based on our findings, investors may need to keep an eye on more than just the economy's "butter"-fluctuations!

The implications of our research extend beyond the financial realm, as it beckons us to reconsider the underestimated influence of kitchen staples on investment portfolios. It seems that in the world of stocks, dairy isn't just a "moo"-ving force but may also be responsible for some "udderly" unexpected outcomes! (Did someone say "cheesy" puns?)

This study opens the door to a multitude of additional questions and avenues for exploration. Future research may delve into the impact of other dairy products, such as cheese or yogurt, on various stock portfolios, bringing new meaning to the phrase "investing in dairy futures." And who knows, perhaps our findings will inspire a wave of bullish investors looking to capitalize on the creamy correlation between butter and real estate stock performance. (Cue the stock market analysts making "spread" jokes.)

Nevertheless, in the words of the great sage, Julia Child, "With enough butter, anything is good." While we have uncovered a noteworthy correlation, any further research would just be "buttering us up" without adding any substantial insights. Therefore, we can confidently assert that no more research is needed in this area. It's time to spread our wings and explore new frontiers in the world of peculiar correlations!