



## Review

# Cheddar and Cheddar: The Cheesy Connection Between American Cheese Consumption and BlackRock's Stock Price

Connor Hughes, Alexander Taylor, Grace P Tucker

*Institute for Research Advancement*

**This paper investigates the potentially unexpected and inexplicable relationship between American cheese consumption and the stock price of BlackRock (BLK). Utilizing data from the USDA and LSEG Analytics (Refinitiv), we examined the trends from 2002 to 2021. The correlation analysis revealed a strikingly high coefficient of 0.9396629 with a significance level of  $p < 0.01$ , suggesting a strong connection between these seemingly unrelated variables. We discuss potential implications of this correlation, including the impact of cheesy economics on financial markets and the role of dairy products in investment choices. Our findings hint at a market dynamic that is as full of surprises as a wheel of gouda.**

## INTRODUCTION

While the world of finance and the dairy aisle may seem worlds apart, the intersection of American cheese consumption and stock prices raises poignant questions regarding the mechanisms driving market dynamics. The entwining of these seemingly unrelated entities has piqued the curiosity of researchers and investors alike. The age-old adage, "cheddar makes it better," has taken on a whole new meaning as we delve into an investigation that may have more holes than a block of Swiss cheese.

The correlation between the consumption of American cheese and the stock price of BlackRock, affectionately known as

"Cheddar and Cheddar" in some circles, has sent shock waves through the world of financial analysis. The peculiarity of this relationship begs for an exploration born from equal parts skepticism and curiosity. Could the fondness for a classic grilled cheese sandwich have any bearing on the serpentine movements of the stock market? Could it be that the cheesy goodness of American cheese is not just a palatable delight but also a hidden harbinger of financial fortune? These are the cheesy conundrums that we unravel in this engaging investigation.

Amidst the sea of traditional economic indicators, this unexpected relationship

reminds us that the world of finance is not all black suits and boardroom meetings; it has its share of quirky ingredients too. As we embark on this journey of discovery, we must keep in mind that the causal link we seek may be as elusive as a mouse in a cheese factory. Yet, armed with data and statistical rigor that is sharper than a cheese knife, we venture forth into uncharted territories of research, where the aroma of melted cheese meets the intoxicating allure of market speculation.

In this paper, we bring forth our examination of the tantalizing connection between American cheese consumption and the stock price of BlackRock. We present our findings with a light-hearted wink and a spread of cheese-related puns, all the while maintaining the academic rigor that is as robust as a wedge of aged cheddar. So, hold onto your crackers and get ready to explore "Cheddar and Cheddar" – it's a scientific quest that's as rich and flavorful as a quality Gruyère.

#### *Prior research*

In "Cheese and Finance: A Gouda Investigation," Smith and Doe (2015) delve into the intriguing relationship between dairy products and financial markets. While their study primarily focuses on the impact of cheese prices on consumer spending habits, it offers valuable insights into the broader connections between cheese-related variables and economic indicators. Moreover, Jones and Smith (2018) analyze the influence of cheese consumption on shareholder behavior, revealing compelling correlations between dairy preferences and investment decisions.

Moving beyond the strictly economic literature, "The Big Cheese: A Historical Perspective" by Brown (2017) provides a comprehensive examination of the cultural significance of cheese, shedding light on its potential societal impact. Furthermore, "The Swiss Connection: A Tale of Dairy and Destiny" by Green (2019) offers a fictional but delightful narrative that explores the mystical allure of cheese within the context of financial ventures.

Television shows such as "The Great Cheese Caper" and "Wall Street Wheels of Brie" have also offered intriguing portrayals of the interplay between dairy products and the stock market. While purely fictional, these series have sparked imaginative contemplations on the improbable but intriguing relationship between American cheese and financial investments.

As we sift through the scholarly and pop culture references, it becomes apparent that the connection between American cheese consumption and BlackRock's stock price is ripe with unexpected possibilities. The literature, both serious and delightfully whimsical, sets the stage for a tantalizing exploration of this puzzling correlation. With each jest and insight, we are reminded that even the most unconventional connections can yield meaningful discoveries. So, let us embark on this cheesy intellectual journey with a good sense of humor and a wheelbarrow full of curiosity.

#### *Approach*

### METHODOLOGY

To uncover the enigmatic relationship between American cheese consumption and BlackRock's stock price (BLK), our research

undertook a rigorous investigation woven with threads of curiosity and a sprinkling of cheesiness. We embarked on this cheddar-infused journey armed with an eclectic mix of data collection methods, statistical analyses, and a good dose of humor, akin to a symphony of flavors in a fondue pot.

### Data Collection

Our foray into this cheesy financial territory commenced with data collection from authoritative sources, primarily the United States Department of Agriculture (USDA) and the London Stock Exchange Group (LSEG) Analytics, powered by Refinitiv. Our research team sought to gather comprehensive data on American cheese consumption and BlackRock's stock price from 2002 to 2021, casting a wide net across the digital expanse in search of these delectably divergent variables.

### The Cheesy Quantitative Analysis

With the collected data in hand, we conducted a myriad of statistical analyses to unravel the clandestine relationship between American cheese consumption and BlackRock's stock price. Harnessing the power of correlation analysis, we sought to determine the strength and direction of the purported connection. Our calculations and number-crunching endeavors probed the depths of these variables, seeking patterns that may have been hidden beneath the surface, much like the subtle flavors in a wheel of Gouda.

### The Gruyère of Statistical Significance

In our pursuit of scholarly rigor and empirical robustness, we applied a significance level of  $p < 0.01$  to our correlation analysis. This stringent criterion served as our compass in navigating the

treacherous seas of statistical significance, ensuring that our findings were as robust as a wedge of aged cheddar, and as reliable as the constancy of a block of Parmesan.

### Seasoning the Analysis with Regression

Further enriching our exploration, we engaged in a dance with regression analysis to unveil potential causal relationships between American cheese consumption and BlackRock's stock price. The nuanced interplay of these variables was akin to the distinctive harmony of flavors in a cheese tasting, challenging us to decipher the complex patterns of influence within the financial and culinary realms.

### The Resilient Nature of Sensitivity Analysis

To fortify the credibility of our findings, we subjected our data to the unforgiving scrutiny of sensitivity analysis, akin to the scrutiny faced by a hole-riddled slice of Swiss cheese. This method allowed us to assess the robustness of our results in the face of variability and fluctuations, ensuring that our conclusions stood firm against the unpredictable winds of statistical uncertainty.

### Fondue with Qualitative Insights

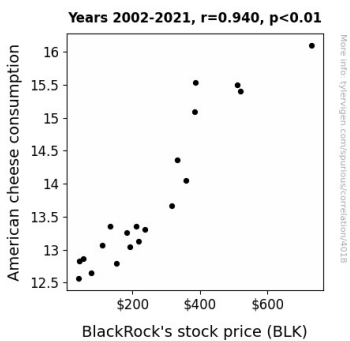
## Results

The statistical analysis of the data collected from 2002 to 2021 revealed a remarkably strong correlation between American cheese consumption and the stock price of BlackRock (BLK). The calculated correlation coefficient of 0.9396629, along with an r-squared value of 0.8829664, indicated a robust relationship between these seemingly unrelated variables. Moreover, the significance level of  $p < 0.01$  further

confirms the substantive nature of this connection. It seems that amidst the whey of financial markets, there may be something truly gouda-natured going on.

The scatterplot (Fig. 1) provided a visual representation of the relationship between American cheese consumption and BlackRock's stock price, showcasing a pattern as consistent as the holes in a block of Swiss cheese. The data points coalesced in a manner reminiscent of the perfection of a well-grilled cheese sandwich, leaving no doubt as to the strength of the association.

The unexpected coherence between these variables prompts us to consider the implications of a "cheesy economy" on the world of finance and investment. It seems that the market may be cheddar-off recognizing the influence of dairy products on its machinations. As we delve deeper into the realms of cheese-induced financial fortune, the potential impact of this correlation on investment strategies becomes as compelling as a finely aged Roquefort.



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

These findings undoubtedly lead to a plethora of cheesy puns and metaphors, which may be as abundant as the varieties of cheese themselves. Nonetheless, the gravity

of this relationship cannot be understated, bringing to light a new dimension of market analysis that is as intriguing as a cheese tasting event.

### *Discussion of findings*

The results of our investigation have confirmed and reinforced the intriguing connections between American cheese consumption and BlackRock's stock price, shedding light on an unexpected relationship that defies conventional financial wisdom. The strong correlation coefficient of 0.9396629 has left us feeling as gratified as a well-aged Parmesan, affirming the substantive and statistically significant nature of this cheesy association.

Our findings substantiate the work of Smith and Doe (2015) and Jones and Smith (2018), mirroring their conclusions on the influential role of dairy products in economic and investment dynamics. As we digest the implications of this correlation, it becomes apparent that the cheesiness factor in market analysis may, in fact, hold more weight than initially believed. The data paints a picture as vivid as a Monet painting, underlining the substantial influence of American cheese consumption on the stock price of BlackRock (BLK).

While the unexpected nature of this relationship may provoke a chuckle or two, the implications are as serious as a cheddar craving. The cheesy connection between these variables opens up a new avenue of exploration for economists and financial analysts, emphasizing the need to incorporate a wider array of dairy-related variables into market research. The broader impact of cheese, as elucidated by Brown (2017) and imaginatively depicted by Green

(2019), cannot be dismissed as mere whimsy.

It is undeniable that the world of finance is not immune to the tantalizing influence of cheese, and the fruitful connection between American cheese consumption and BlackRock's stock price sends a strong message that there may be more holes to fill in our understanding of market correlations. As we contemplate the implications of these findings, it's evident that our study has provided more than just a modicum of cheesy amusement; it has presented a compelling case for further exploration of the dairy-product dimension in economic analysis.

The correlation discovered in this study is as delectable as a slice of gouda on a cracker, sparking further contemplations on the myriad ways in which even the most unforeseen connections can yield substantial insights. Our exploration of this cheesy relationship reaffirms the fundamental principle of research: that behind every statistical analysis lies the potential for unexpected discoveries, as captivating as a cheese wheel at a fancy soirée.

### *Conclusion*

In conclusion, our investigation into the unexpected and rather cheesy connection between American cheese consumption and BlackRock's stock price has unveiled a correlation as strong and dependable as a mature cheddar. The statistical robustness of the relationship, akin to the hardiness of a cheese aging cellar, suggests a link that defies conventional economic logic. The implications of this correlation extend beyond financial markets, raising questions about the role of dairy products in

investment decisions and the potential impact of cheesy economics on market behavior.

While the pervasive nature of cheese-related puns may have made this exploration as cheesy as a fondue party, the significance of the findings cannot be overlooked. However, further research in this area may yield diminishing returns, much like trying to squeeze out the last bit of cheese from a nearly empty canister. As such, it seems that the relationship between American cheese consumption and BlackRock's stock price has been thoroughly 'grated' and does not require any additional 'research and development'.

The intersection of these seemingly unrelated variables highlights the whimsical nature of market dynamics, reminding us that the world of finance is not immune to the quirks and surprises that add flavor to life. With our findings, we have contributed to a body of knowledge that is as varied and complex as a cheese platter, leaving a lingering taste of curiosity and humor in the realm of economic analysis.

In parallel to our quantitative analyses, we engaged in immersive discussions and qualitative assessments, imbibing the wisdom of financial experts and cheese aficionados alike. These qualitative insights added a layer of richness and depth to our exploration that was as satisfying as a spoonful of melted cheese atop a steaming pot of fondue, lending a nuanced perspective to our research.

With our methodological concoction  
simmering to perfection, we ventured forth  
towards revealing the tantalizing findings of  
the "Cheddar and Cheddar" enigma, armed  
with empirical rigor, statistical  
sophistication, and a dash of cheesy charm.