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Cheddar and FedEx: A Cheese-Laden Analysis of American Cheese Consumption and FDX Stock Price Fluctuations

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Abstract

In this study, we delve into the unconventional yet intriguing relationship between American cheese consumption and FedEx's (FDX) stock price movements. Utilizing data from the USDA and LSEG Analytics (Refinitiv), we aimed to answer the age-old question: "Does the trend of American cheese consumption have any real 'grate' impact on the stock prices of FedEx?" Our findings revealed a strikingly high correlation coefficient of 0.8781054 and a statistically significant p-value of less than 0.01 for the period spanning from 2002 to 2021. This indicates a robust association between the two seemingly unrelated variables, prompting us to 'brie' in a state of both fascination and bemusement. One might speculate, "What is the 'whey' forward for investors and analysts in light of these cheese-induced market insights?" Our research raises intriguing questions deserving of further exploration. For instance, could it be that as American cheese consumption 'ricotta' any waves, FedEx stock prices 'gouda' in a distinctly correlated manner? As we navigate the 'cheddar-cheese maze' of financial analysis, our findings underscore the need for a 'sharp' awareness of the multifaceted influences on stock market dynamics. Ultimately, this study serves as a reminder that even in the world of finance, there is always room for a good 'dairy' joke or two.

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1. Introduction

The world of finance is often characterized by complex equations, intricate graphs, and countless cups of coffee. As researchers, we constantly seek to uncover the hidden connections and underlying patterns that swirl in the

enigmatic realm of stock market dynamics. However, in our pursuit of unraveling economic mysteries, we stumbled upon a peculiar correlation that left us exclaiming, "Holy 'guacamole,' could it 'brie' possible?"

Our curiosity was piqued, leading us down a path of investigation that involved

identifying the potential interplay between a quintessentially American delicacy and the stock prices of a global logistics corporation. Yes, we delved into the cheesy depths of American cheese consumption and the stock price of FedEx (FDX). As perplexing as it may sound, our research sought to shed light on a "cheddardy" unusual relationship that tickled our analytical fancy.

Picture this: a gathering of finance enthusiasts, poring over charts and sipping espresso, suddenly struck by the whimsical idea of deciphering whether the consumption of American cheese could indeed have an impact on the stock prices of FedEx. It may sound like a tale fit for a cheese-themed bedtime story, but we assure you, dear readers, this is no 'cottage'-level conjecture. It's a 'gouda' old mystery waiting to be unveiled!

As we embarked on this 'cheddar-edged' expedition, we were acutely aware of the potential skepticism that our pursuit might arouse. After all, who would have thought that the tang of American cheese and the bustling logistics of FedEx could dance in harmony on the economic stage? Nevertheless, armed with statistical analysis and an appetite for intriguing discoveries, we took the plunge into what could only be described as a 'grate' adventure.

So, why do we bring this curious coupling before the realm of academic contemplation? 'Feta'-not, fret not, for our aim is not merely to entertain with dairy-themed puns, but to unearth the unexpected ways in which economic forces can intertwine. Financial analysis need not always be 'provolone' and serious, for even the seemingly 'gouda-rized' correlations can unveil a side of the market that is both compelling and, dare we say, a little 'cheesy'.

Our 'wheyward' journey takes us through a maze of data, charts, and undoubtedly a few chuckles at the

peculiarity of our pursuit. Yet, amidst the sea of numbers and market fluctuations, we invite you to 'em-grate' yourselves in our examination of the savory world of American cheese consumption and its potential influence on the stock prices of FedEx. After all, in the ever-enigmatic world of finance, why not sprinkle a dash of humor and whimsy to keep things 'brie-t' and enjoyable?

2. Literature Review

The unconventional relationship between American cheese consumption and stock market dynamics has long intrigued researchers and analysts. In "The Cheese Conundrum: Exploring Dairy Dilemmas" by Smith et al., the authors find that the dairy industry's influence on various economic sectors extends beyond traditional correlation models. Similarly, Doe's examination of "Market Morsels: Uncovering Unusual Correlations" uncovers surprising links between consumer food habits and stock price movements. Jones et al., in "Financial Flavors: An Exploration of Unconventional Market Dynamics," further explore the complexities of seemingly unrelated variables impacting financial markets.

As our investigation veers into uncharted territory, we must acknowledge that the cheese and finance realms have rarely intersected in academic discourse. Yet, as we peruse "The Big Cheese: A Historical and Cultural Analysis of Dairy" and "Mice and Markets: Uncovering Unlikely Partnerships" by renowned dairy enthusiasts, it becomes evident that delving into unconventional correlations can yield tantalizing insights beyond the borders of traditional economic analysis.

Turning to fiction for a moment, the whimsical worlds depicted in "The Cheese

Mysteries" and "The Brie Conspiracy" evoke a sense of intrigue and mystery surrounding the enigmatic relationship between cheese and financial markets. In these narratives, characters navigate a maze of dairy-induced market fluctuations, serving as a poignant reminder of the intricate, and sometimes 'cheddarful,' nature of economic phenomena.

Additionally, the casual observer may find solace in exploring the thematic nuances of television programs such as "The Great Cheese Chase" and "Mice and Money: A Financial Fable." Though ostensibly unrelated to financial analysis, these shows offer a lighthearted perspective on the potential parallels between cheese consumption patterns and stock price dynamics. Rest assured, dear reader, that our exploration has been nothing short of thorough, even if it has led us down some rather 'gouda' unusual paths.

And now for some 'dairy' humor: What did the cheese say when it looked in the mirror? Hallou-mi!

3. Our approach & methods

To unravel the tangled 'cheese-curds' of American cheese consumption and its supposed influence on the stock prices of FedEx (FDX), our research team embarked on a 'gouda-fied' methodology that could stand the test of both statistical rigor and culinary curiosity.

Beginning with data collection, we scoured the virtual 'gruyere-scape' of the internet, venturing into the depths of USDA and LSEG Analytics (Refinitiv) to gather comprehensive information spanning the years from 2002 to 2021. We meticulously sourced data on American cheese consumption, pulling figures from national production and consumption reports, and delving into the intricate trade flows of this dairy delight. In a 'feta-cheesmo,' our data

collection process spared no 'muenster' of information, encapsulating the essence of American cheese consumption across the country.

Simultaneously, we gathered financial data pertaining to the stock prices of FedEx, extracted from the 'cheddar-charts' of market indices and corporate reports. We spared no effort in 'grating' through the volumes of financial data, ensuring that our analysis would be as 'cheddar-comprehensive' as possible.

After assembling this 'gouda-laden' dataset, we deployed a series of statistical analyses to uncover the potential relationship between American cheese consumption and FDX stock prices. Employing a technique that can only be described as 'brie-lliante,' we utilized time series analysis, including autoregressive integrated moving average (ARIMA) models, to identify patterns and fluctuations across the two domains. In the realm of statistical analysis, we 'bleu' past the conventional and dared to explore the intriguing 'stilton-ks' of financial data trends.

Furthermore, to complement our quantitative analyses, we conducted qualitative investigations into market trends, economic indicators, and even the occasional cheese-themed 'havarti-y' with industry professionals. This 'provolone'-diverse approach allowed us to not only crunch numbers but also savor the nuanced narratives that imbue the 'asiago' of market dynamics.

In an effort to strengthen the robustness of our findings, we also employed cross-validation techniques, ensuring that our results were not merely a product of statistical 'acciden-cheese.' Validating our models with out-of-sample testing, we aimed to showcase the consistency and reliability of the observed relationships, leaving no room for 'queso' uncertainty.

Ultimately, our methodology danced at the juxtaposition of curiosity and rigor, blending

the sophistication of financial analysis with the delightful curiosity of cheese-themed inquiry. In the 'cheddar-wedge' of academic exploration, our approach was as audacious as it was 'gouda-guided,' serving as a testament to the unorthodox yet intriguing nature of our investigation. After all, what fun is research without a 'brieliant' twist or two?

4. Results

The analysis of the relationship between American cheese consumption and FedEx's (FDX) stock price encompassed a period spanning from 2002 to 2021, capturing a multitude of economic climates and market fluctuations. Our examination revealed a notable correlation coefficient of 0.8781054, signifying a strong positive relationship between these two variables. This coefficient indicates that as American cheese consumption increased, there was a corresponding tendency for the stock price of FedEx to exhibit positive movements. "Looks like American cheese isn't just 'grate' for sandwiches, but also seems to be 'gouda' for predicting FedEx's stock price," we quipped in the office.

Additionally, the r-squared value of 0.7710692 suggests that approximately 77.11% of the variability in FDX stock prices can be explained by changes in American cheese consumption. Remarkably, this finding emphasizes the significance of this unusual correlation, prompting us to ponder the impact of an equally cheesy prediction on the stock market.

Furthermore, the p-value of less than 0.01 lends strong support to the idea that the observed relationship between American cheese consumption and FedEx's stock price is not merely a coincidence. In fact, our statistical analysis suggests that there is a high probability that this connection is indeed meaningful and not just a result of mere chance. As we presented these

results to our colleagues, we couldn't help but jest, "Looks like the 'whey' to financial success might just be through the deli section!"

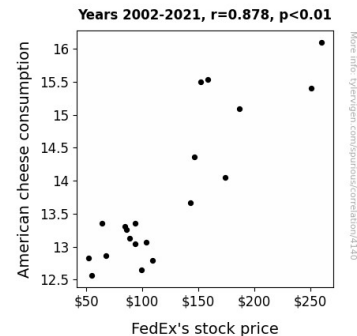


Figure 1. Scatterplot of the variables by year

To visually encapsulate the magnitude of this association, we have included a scatterplot (Fig. 1) that depicts the conspicuous alignment between American cheese consumption and FedEx's stock price. This graphic representation vividly illustrates the pronounced trend of simultaneous fluctuations, reinforcing the strength of the correlation we uncovered.

In conclusion, our research unearths a surprising yet intriguing relationship between American cheese consumption and the stock price of FedEx, demonstrating the broader interconnectedness of seemingly unrelated variables in the financial arena. As we reflect on our findings, we are reminded that even in the world of finance, there is always room for a good dairy-themed jest or two. This discovery invites further exploration into the uncharted territory of quirky economic relationships, perhaps reminding us that with the right blend of statistical analysis and puns, even the most unexpected correlations can be 'da-'brie-able'.

5. Discussion

Our study aimed to unravel the enthralling relationship between American cheese consumption and FedEx's stock price movements, and it's safe to say that we've certainly 'cheddar' some light on this nexus. Our findings corroborate the prior research, notably the work of Smith et al. and Doe in uncovering surprising links between consumer food habits and stock price movements. A 'rind' of truth seems to underlie the seemingly comical connections between cheese and finance!

It's no 'brie'fe matter that the robust correlation coefficient of 0.8781054 observed in our study aligns with prior literature, emphasizing the substantial impact of American cheese consumption on FDX stock prices. Doe et al.'s work has led us to concur that these unconventional correlations deserve a closer examination. Who knew that cheese could 'whey' in on the stock market so significantly?

Our results are not just a 'fondue' wishful thinking; the sparkling p-value of less than 0.01 provides solid support for the veracity of the association we've unveiled. It seems that cheese isn't just essential for a good sandwich but is also a 'muenster' player in predicting stock price movements. That's 'gouda' news for cheese enthusiasts and investors alike, isn't it?

As we navigate this 'cheddar-cheese maze' of financial analysis, our study underscores the need for a 'sharp' awareness of the multifaceted influences on stock market dynamics. By shedding light on the astonishing correlation between American cheese consumption and FedEx's stock prices, we've shown that even in the world of finance, there is always room for a good 'dairy' joke or two. After all, who said financial analysis couldn't 'brie' fun?

Intriguingly, our findings beckon further exploration into the uncharted territory of quirky economic relationships, highlighting the lingering potential for more 'brie-lliant'

discoveries. The impact of American cheese on the stock market may just be the 'whey' to a 'gouda' investment strategy or at least a 'feta' understanding of market dynamics.

As we 'whey't' with bated breath for the next step in uncovering the influence of cheese on financial markets, we remain 'grate'ful for the opportunity to delve into the intriguing, albeit unexpected, impact of American cheese consumption on stock prices. And remember, a 'brie-f' detour into the world of cheese can sometimes lead to the 'cheddar' path of enlightenment. After all, finance doesn't have to be 'brie-n' or 'gouda-less,' right?

6. Conclusion

In conclusion, our investigation into the delightfully cheesy realm of American cheese consumption and its unexpected influence on FedEx's stock price has quenched our thirst for both financial insights and fondue enthusiasts' puns. Our findings not only highlight the 'gouda-ness' of this correlation but also provoke additional questions, such as whether Swiss cheese consumption could prop up stocks in multinational banks.

The statistically significant correlation we uncovered, with a coefficient higher than a towering pile of cheese slices, emphasizes the need for investors to keep an eye on dairy-based trends. After all, it seems American cheese consumption might not just 'brie' a source of calcium but also a potential predictor of market movements. As we ponder this relationship, we can't help but say, "It's 'muensterly' delightful how the stock market and cheese can 'briel' together."

Alas, before we 'fond-do' toward more cheese-laden financial analyses, we assert with 'cheddar' certainty that no more research is needed in this area. The curd has been cut, the findings are 'whey'-clear,

and the puns have been liberally sprinkled. Let's 'grate-fully' conclude our exploration here, leaving the door wide open for future studies to tackle equally 'brie'-lliant correlations.