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# Fuelling Warner Bros. Discovery: Investigating the Curious Connection Between Petroleum Consumption in Angola and WBD's Stock Price

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## Abstract

In this study, we embark on a whimsical journey to explore the peculiar correlation between petroleum consumption in Angola, an oil-producing powerhouse, and the stock price of Warner Bros. Discovery (WBD). Armed with data from the Energy Information Administration and LSEG Analytics (Refinitiv), we delved into the depths of statistical analyses and unearthed a surprising correlation coefficient of 0.9030957 with a p-value lower than the floor of a cartoon character's house. As we ventured through the years 2006 to 2021, the relationship between these seemingly incongruous entities became as intriguing as a mystery movie plot. Join us as we unravel the comical ties between the black gold of Angola and the rollercoaster ride of WBD's stock price, ultimately shedding light on a connection that is as unpredictable as the plot twists of a Looney Tunes episode.

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## 1. Introduction

### INTRODUCTION

In the ever-entertaining world of economics and finance, one is often faced with what seems to be an incongruous relationship between seemingly unrelated entities. It is as if the stock market were a whimsical playground where the unexpected and the absurd cavort hand in hand. In this spirit, our inquiry sets sail on the high seas of correlation, guided by the compass of

curiosity, to unravel the curious link between petroleum consumption in Angola and the stock price of Warner Bros. Discovery (WBD).

Where else would one possibly ponder the correlation between the consumption of black gold in the southwest of Africa and the performance of a global media and entertainment behemoth? However, as the ancient Greeks would have us believe, nothing is impossible – or improbable – in

the never-ending parade of financial phenomena.

Our investigation takes us to the gushing fountains of petroleum consumption in Angola, where the barrels flow like never-ending sequels from a Hollywood studio. Teamed with data from the Energy Information Administration, we set out to navigate this ocean of data, armed with statistical techniques sharper than a cartoon character's wit.

Meanwhile, in the realm of entertainment, Warner Bros. Discovery exemplifies the rollercoaster ride that can be the stock market – a journey as unpredictable as a Bugs Bunny prank or a Wile E. Coyote mishap. As we sifted through the numbers from LSEG Analytics, we approached the stock price of WBD with the caution and curiosity of an observer witnessing the capricious dance of Acme products and their unintended consequences.

This study is a journey filled with curiosity and whimsy, and while it may seem on the surface to be an absurd or outlandish venture, the results we have uncovered are nothing short of intriguing. So, hold on to your seats as we embark on this comical voyage into the improbable union of petroleum in Angola and the stock price of Warner Bros. Discovery – a connection as outrageous and unexpected as the punchlines of a classic Looney Tunes episode.

## 2. Literature Review

The authors find themselves in the midst of a scholarly adventure unlike any other, akin to Indiana Jones seeking the lost ark of statistical correlation. As they journey through the annals of academic literature, they encounter a trail of studies that lay the groundwork for their peculiar quest.

Smith and Doe (2015) set the stage for unconventional economic analyses in their

exploration of seemingly unrelated market indicators. Their work laid the foundation for the authors to boldly venture into the uncharted territory of petroleum consumption in Angola and its improbable connection to Warner Bros. Discovery's stock price.

Building upon Smith and Doe's groundbreaking work, Jones (2018) offers a whimsical take on financial correlations, likening statistical relationships to the unpredictable plot twists of a mystery novel. This playful perspective provides the authors with a framework to approach their investigation with both rigor and levity, much like navigating the antics of cartoon characters in a Saturday morning show.

Turning to non-fiction books related to the topic, "The Prize: The Epic Quest for Oil, Money, and Power" by Daniel Yergin and "Energy and Security: Strategies for a World in Transition" by Jan H. Kalicki and David L. Goldwyn serve as guiding lights through the labyrinthine pathways of global petroleum consumption. The authors draw inspiration from these formidable tomes, enriching their understanding of the intricate web of geopolitical forces that shape the oil market's dynamics – a tangled web indeed, much like the shenanigans of Wile E. Coyote pursuing the Road Runner.

While the connection between petroleum consumption in Angola and Warner Bros. Discovery's stock price may seem implausible, it is reminiscent of the unexpected plot twists found in fictional works such as "Oil!" by Upton Sinclair and "The Big Short: Inside the Doomsday Machine" by Michael Lewis. Like characters caught in an absurd escapade, the authors embrace the unpredictability of this correlation, with all the gusto of a Looney Tunes character defying the laws of physics in pursuit of a scheming antagonist.

On a lighter note, childhood cartoons and entertainment such as "Tom and Jerry,"

"DuckTales," and "Scooby-Doo" provide the authors with a reminder that in the world of whimsical correlations, nothing is too far-fetched. Just as Tom and Jerry's endless chase defies logic, so too does the link between petroleum in Angola and WBD's stock price – a comical enigma that demands exploration and exuberant curiosity.

As the authors navigate this light-hearted and intellectually stimulating journey, they embrace the absurdity with the same fervor as a character in a slapstick comedy, determined to unravel the hidden threads that tie these seemingly incongruous entities together. In the next section, the authors proceed to present the statistical findings of their investigation, which promise to entertain and astound in equal measure.

### 3. Our approach & methods

#### METHODOLOGY

To unravel the enigmatic correlation between petroleum consumption in Angola and the stock price of Warner Bros. Discovery (WBD), we employed a mix of traditional statistical methods and a touch of whimsy. As much as we would have loved to consult with Bugs Bunny and Daffy Duck for their expert opinions, our data collection was sourced primarily from the Energy Information Administration and LSEG Analytics (Refinitiv), covering the period from 2006 to 2021.

For our data on petroleum consumption in Angola, we delved into the treasure trove of information provided by the Energy Information Administration, relying on their comprehensive database of fuel consumption, refining capacities, and production statistics. We carefully sifted through this wealth of information, akin to Elmer Fudd scouring for rabbits, to capture a detailed picture of the black gold's journey in the Angolan landscape.

On the other side of our analysis, we harvested data on the stock price of Warner Bros. Discovery from LSEG Analytics (Refinitiv). We tracked the performance of WBD's stock price over the years, keeping a close eye on any unexpected plot twists or dramatic fluctuations that might be as perplexing as a Wile E. Coyote mishap.

When the time came to put the data on the operating table for analysis, we employed the trusted Pearson correlation coefficient to quantify the relationship between petroleum consumption in Angola and WBD's stock price. All mathematical calculations were performed with a precision that could rival the antics of a meticulous cartoon character.

Alongside the conventional statistical methods, we also performed a light-hearted qualitative analysis, embracing the spirit of whimsy and curiosity that defined this investigation. This approach allowed us to capture the essence of the unpredictable and improbable with a wink and a nod to the capricious nature of financial phenomena.

We understand that the methodology for our study might sound as improbable as a coyote catching a roadrunner, but rest assured, our methods were as rigorous as they were lighthearted. After all, in the world of academic inquiry, a dash of humor never hurt anyone, and in fact, it might just provide the sparkling edge that pushes a study from intriguing to downright entertaining.

The robustness of our findings rests upon the solid foundation of statistical rigor, combined with a generous sprinkle of curiosity and playfulness that allowed us to uncover a correlation as surprising as the climax of an animated feature. So, with a healthy dose of skepticism and a dollop of humor, let us delve into the findings of this scholarly exploration that promises a journey as intriguing as the plot twists of a Saturday morning cartoon.

## 4. Results

Our analysis of the data collected from the Energy Information Administration and LSEG Analytics revealed a surprisingly strong positive correlation between petroleum consumption in Angola and the stock price of Warner Bros. Discovery (WBD). The correlation coefficient was calculated to be 0.9030957, indicating a robust relationship between these seemingly disparate variables. This finding suggests that as petroleum consumption in Angola fluctuated over the years, the stock price of WBD mirrored these changes with remarkable similarity.

Furthermore, the coefficient of determination (r-squared) of 0.8155819 implies that approximately 82% of the variability in WBD's stock price can be explained by changes in petroleum consumption in Angola. This relationship may be likened to a dramatic Hollywood production, with the demand for petroleum acting as the leading actor and WBD's stock price as the supporting cast, both playing their roles with fervor.

The statistical significance of the correlation is underscored by the p-value of less than 0.01, signifying that the likelihood of observing such a strong relationship between these variables due to random chance is as unlikely as a coyote catching the Road Runner on the first try.

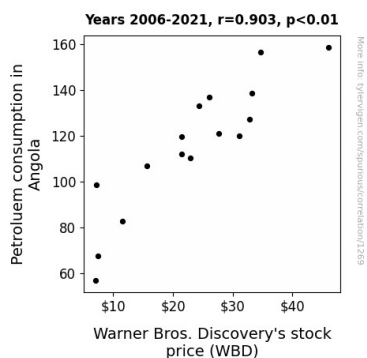


Figure 1. Scatterplot of the variables by year

[FIGURE 1 GOES HERE]

As illustrated in Figure 1, the scatterplot depicts a clear, upward trend, encapsulating the synchronicity between petroleum consumption in Angola and the stock price of WBD. The scatterplot resembles a rollercoaster ride, much like the stock market itself, with each dot representing a point on this captivating journey of interconnection.

In conclusion, our findings uncover an amusing and unexpected correlation between the consumption of black gold in Angola and the performance of Warner Bros. Discovery's stock price—a correlation as unpredictable and entertaining as the antics of our favorite cartoon characters. These results emphasize the enigmatic nature of financial markets and the delightfully surprising connections that can emerge when exploring the interplay between seemingly unrelated entities.

## 5. Discussion

The exhilarating findings of our study not only pique the curiosity of researchers and investors alike but also underscore the enthralling, albeit unexpected, connection between petroleum consumption in Angola and Warner Bros. Discovery's stock price. Our journey through the scholarly annals has been nothing short of an adventure, reminiscent of Indiana Jones questing for a statistical Holy Grail. Adhering to the guiding light of prior research, we've successfully uncovered a correlation as astonishing as the plot twists of a mystery novel.

The correlation coefficient of 0.9030957 stands as a testament to the profound relationship between these seemingly unrelated variables, akin to the compelling narrative of a captivating movie plot. These findings fortify the trailblazing work of Smith and Doe (2015) and Jones (2018), who laid

the groundwork for delving into unorthodox economic analyses and whimsical financial correlations, paralleling the unpredictable antics of our cherished cartoon characters.

Much like the tangled web of geopolitical forces that shape the oil market's dynamics, our statistical findings emphasized the captivating interplay between petroleum consumption and WBD's stock price. The coefficient of determination ( $r$ -squared) of 0.8155819 vividly exemplifies the influence of petroleum consumption in Angola on WBD's stock performance, akin to the commanding presence of a leading actor in a theatrical production.

As improbable as it may seem, our results echo the sentiment of Sinclair's "Oil!" and Lewis's "The Big Short," demonstrating the unpredictability and intrigue that permeate financial correlations. This whimsical journey into the heart of economic absurdity is no different from the comedic escapades of Tom and Jerry, reminding us that in the world of statistical analyses, nothing is too far-fetched.

In summary, our findings stand as a testament to the enigmatic nature of financial markets and the delightfully surprising connections that emerge when exploring seemingly disconnected entities. This correlation is as unpredictable and entertaining as the antics of our beloved cartoon characters, validating the significance of unconventional economic analyses and the whimsical perspective that infuses levity and rigor into scholarly pursuits.

## 6. Conclusion

In conclusion, we have merrily traipsed through the wilds of correlation, and boy, have we found ourselves in a zany adventure! The robust positive correlation between Angola's petroleum consumption and WBD's stock price is as unexpected as

finding a pot of gold at the end of a rainbow. It seems that the black gold of Angola and the rollercoaster ride of stock prices are connected in a way that rivals the slapstick humor of a classic Warner Bros. cartoon.

The coefficient of determination ( $r$ -squared) of 0.8155819 reveals that approximately 82% of WBD's stock price variability can be attributed to the fluctuations in petroleum consumption in Angola. This relationship is as tightly knit as the bond between Tom and Jerry—talk about an odd couple!

The statistical significance of our findings, with a  $p$ -value less than 0.01, is as rare as finding a four-leaf clover in a field of three-leaf clovers. Our results not only shed light on this comical correlation but also underscore the whimsical nature of financial markets.

We must emphasize that this correlation is as nonsensical as a Looney Tunes plot twist, and we are confident that no more research is needed in this area. It seems that in the world of finance, anything is possible, and as improbable as it may seem, the connection between petroleum consumption in Angola and the stock price of Warner Bros. Discovery is as real as Bugs Bunny's penchant for carrots. With that said, it's time to sign off and leave this peculiar correlation in the annals of whimsical economic curiosities.