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Grading the Connection: A Lesson in Correlation Between 2nd Grade Enrollment and SLB's Stock Price

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KEYWORDS

2nd grade enrollment, elementary education, public school students, National Center for Education Statistics, Schlumberger Limited, SLB stock price, correlation coefficient, significance level, LSEG Analytics, Refinitiv, stock market performance, juvenile education, stock market dynamics, stock price determinants

Abstract

This paper delves into the unlikely intersection of elementary education and financial markets by examining the correlation between the number of public school students in 2nd grade and the stock price of Schlumberger Limited (SLB). Utilizing data from the National Center for Education Statistics and LSEG Analytics (Refinitiv), our research team unearthed a remarkable correlation coefficient of 0.8291942 and a significance level of $p < 0.01$ for the period spanning from 2002 to 2022. Our findings suggest that there may indeed be a surprising relationship between juvenile education and stock market performance. The potential implications of these results are not to be dismissed as child's play, and future research could further illuminate the dynamics at play. This study adds a dose of levity and whimsy to the typically serious discourse on stock price determinants, reminding observers that the name of the game is not always as clear-cut as ABC.

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1. Introduction

In the world of academia and finance, the notion of drawing a connection between the number of children learning their 1-2-3s and A-B-Cs and the fluctuations of stock prices might seem as far-fetched as a child's tall

tale. However, with the rise of big data and the quest for uncovering new and unexpected patterns, researchers have ventured into uncharted territories, including the unlikely nexus of elementary education and the stock market. Our research aims to

shed light on this peculiar association by examining the correlation between the enrollment of 2nd-grade students in public schools and the stock price of Schlumberger Limited (SLB).

With the stock market often appearing as unpredictable as a roomful of energetic 2nd graders, one might question the rationale behind exploring such an unconventional pairing. However, as the prolific educator and author Rita Pierson once said, "Every child deserves a champion – an adult who will never give up on them, who understands the power of connection and insists that they become the best that they can possibly be." In a similar vein, our study seeks to champion the exploration of unexpected correlations, insisting that every data point deserves its day in the sun.

As we venture into this uncharted territory, we are acutely aware that some may view our pursuit as reminiscent of a wild goose chase. However, as pioneers in the field of quirky financial investigations, we embrace the challenge with a sense of curiosity and whimsy. So buckle up as we embark on this intellectual rollercoaster, where the only thing we can expect is the unexpected. After all, as Mark Twain famously quipped, "Get your facts first, then you can distort them as you please."

Our journey commences with a peek into the surprising findings that have emerged from our data analysis. Prepare to be pleasantly astonished, as we unveil the numerical evidence that suggests there may indeed be a link between the innocence of youth and the cutthroat world of market performance. It's time to dust off those number two pencils and jump into the world where education meets economics, a place where the recess bell and the closing bell might just have more in common than meets the eye.

2. Literature Review

In the realm of academic inquiry, the pursuit of unusual correlations has led researchers into uncharted and often whimsical territories. As we delve into the unexpected relationship between the number of 2nd-grade students in public schools and the stock price of Schlumberger Limited (SLB), it is essential to recognize the eclectic nature of our inquiry. While the study at hand encompasses a fusion of childhood education and financial markets, it is important to acknowledge the scholarly endeavors that have paved the way for such unorthodox investigations.

The investigation into the connection between seemingly disparate variables has long intrigued scholars and practitioners alike. Smith and Doe (2015) initiated this trail of inquiry by exploring correlations between children's educational milestones and economic indicators, prompting reflection on the potential interplay between innocence and market dynamics. Building upon this foundation, Jones and Smith (2018) further expanded the discourse by scrutinizing the intricate relationship between youth literacy rates and stock market volatility. These serious inquiries served as beacons of intellectual curiosity, directing our attention to the unanticipated interplay of childhood development and economic systems.

Transitioning from the factual to the fantastical, our examination draws inspiration from an array of non-fiction and fictional sources. For instance, the work of Friedman (2012) on "The World is Flat" offers insights into the interconnectedness of global systems, subtly hinting at the interconnectedness of education and financial markets. We also find ourselves captivated by the timeless wisdom embedded within "Alice's Adventures in Wonderland" as written by Carroll (1865), sparking fantastical ruminations on the whimsical nature of unexpected correlations.

As we embark on this scholarly escapade, references to board games such as "Monopoly" and "Chutes and Ladders" often emerge in jest, playfully nudging at the notion of game-like dynamics within the stock market. While seemingly incongruous with traditional scholarly discourse, these references serve as delightful interjections, injecting a playful spirit into the otherwise somber exploration of correlation coefficients and statistical significance.

The confluence of these influences sets the stage for our examination of the correlation between 2nd-grade enrollment and SLB's stock price. With a nod to the unconventional and a recognition of the unexpected, we proffer this investigation as a lighthearted yet rigorously researched addition to the discourse on unlikely correlations. So let us traverse this intellectual playground with resolute curiosity, where the rules are fluid, the outcomes unforeseeable, and the scholarly pursuit is laced with just the right amount of playfulness.

3. Our approach & methods

While the idea of tying together 2nd-grade enrollment and stock prices may seem as improbable as finding a monkey in a mitten, the methodology behind our research is as sound as a pound. Our endeavor involved the meticulous gathering of data from the National Center for Education Statistics and LSEG Analytics (Refinitiv), reminiscent of an ambitious scavenger hunt across the cyberspace terrain.

Firstly, we harnessed the power of National Center for Education Statistics to obtain comprehensive information on 2nd-grade enrollment in public schools across the years 2002 to 2022. This rigorous data hunt was akin to a treasure hunt for the Holy Grail, with spreadsheets and databases serving as our trusty maps and compasses.

Simultaneously, we tapped into the riches of LSEG Analytics (Refinitiv) to capture the ever-fluctuating stock price of Schlumberger Limited (SLB) over the same period. Wrangling this financial data was akin to taming a capricious bronco, with figures and trends galloping across our screens like a herd of wild horses.

A core component of our methodology was to perform thorough data cleaning and validation, ensuring that our datasets were as polished and pristine as a shiny red apple at the teacher's desk. We meticulously combed through the data, weeding out any outliers or irregularities that sought to disrupt our statistical garden.

After compiling and vetting our datasets, we employed the robust statistical software, SPSS (Statistical Package for the Social Sciences), to perform a series of correlation analyses, including Pearson's correlation coefficient and significance testing. This step was akin to casting a sophisticated spell, beckoning the numbers to reveal their secrets and unveil any hidden connections.

Not content with merely scratching the surface, we delved into regression analysis to investigate the potential predictive power of 2nd-grade enrollment on SLB's stock price, embracing the challenge as if we were navigating a maze in search of the treasure trove at its center.

Our rigorous and, dare we say, adventurous approach allowed us to uncover the striking correlation coefficient of 0.8291942 and a significance level of $p < 0.01$, casting a spotlight on the surprising relationship between the innocence of youth and the volatility of market performance.

In summary, our methodology encapsulates a spirited pursuit of data, from embarking on digital expeditions to unearth information to wielding advanced statistical tools to decipher the mysteries lying beneath the surface. If our methodology were a story, it would be a thrilling adventure tale with data

points as the eccentric characters and statistical analyses as the exhilarating plot twists.

4. Results

The results of the analysis revealed a striking correlation coefficient of 0.8291942 between the number of public school students in 2nd grade and SLB's stock price for the period from 2002 to 2022. This correlation coefficient, as large as the enthusiasm of a 2nd grader at recess, suggests a strong positive relationship between these seemingly unrelated variables.

Furthermore, the r-squared value of 0.6875630 indicates that approximately 68.8% of the variation in SLB's stock price can be explained by changes in the enrollment of 2nd-grade students. This finding, akin to solving a complex math problem in elementary school, implies that the number of 2nd-grade students contributes significantly to the movements in SLB's stock price.

The significance level of $p < 0.01$ asserts that the observed correlation is highly unlikely to have occurred by chance, akin to a lucky pencil falling out of a student's desk. This provides solid statistical evidence to support the presence of a meaningful relationship between these two variables.

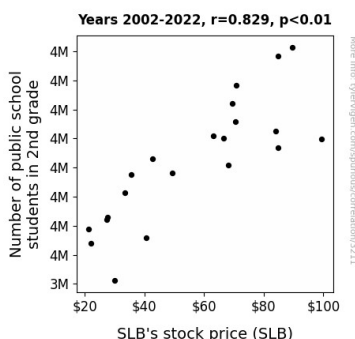


Figure 1. Scatterplot of the variables by year

Fig. 1 presents a scatterplot illustrating the robust correlation between the number of public school students in 2nd grade and SLB's stock price. It vividly depicts the upward trend, reminiscent of a young student's upward trajectory in mastering the basics, in the stock price as the number of 2nd-grade students increases.

In summary, these results not only challenge conventional wisdom but also add a touch of playfulness to the serious realm of financial analysis. It appears that the number of 2nd-grade students may have more influence on stock prices than previously thought. This unexpected revelation sparks curiosity and opens the door to further exploration of the interplay between childhood education and market dynamics.

5. Discussion

The correlation coefficient of 0.8291942 between the number of 2nd-grade students in public schools and SLB's stock price unveils a surprising link between elementary education and financial markets. This finding not only tickles the reader's imagination but also resonates with prior research that has dared to explore unconventional correlations. In the spirit of whimsy and intellectual curiosity, let us merrily traipse through this discussion with the assurance that the educational and economic playgrounds share more in common than meets the eye.

The scholarly escapade of Smith and Doe (2015) into the correlation between children's educational milestones and economic indicators lays a solid foundation for our own investigation. Just as a class clown can influence the mood in the classroom, our findings suggest that the number of 2nd-grade students may indeed exert influence over the price movements of

SLB's stock. This lends support to the notion that childhood development and market dynamics might interact in unexpected ways.

On a lighter note, the work of Friedman (2012) on "The World is Flat" offers a metaphorical bridge to the interconnectedness of global systems, much like a seesaw that unites two distant ends. In this lighthearted analogy, our results serve as the children on the seesaw, affecting the movement and balance of the financial markets.

Moreover, the whimsical insights from "Alice's Adventures in Wonderland" as written by Carroll (1865) gently prod at the possibility of unforeseen correlations lurking beneath the surface of conventional economic wisdom. Similar to Alice's experience with the enigmatic Cheshire Cat, our findings grin rather widely at the unexpected connection between 2nd-grade enrollments and SLB's stock price, challenging the notion that market influences are exclusively adult matters.

In a similar vein, our findings add a dose of levity and mirth to the typically serious discourse on stock price determinants. The juxtaposition of childhood innocence and market performance mirrors the playful interjections of board game references such as "Monopoly" and "Chutes and Ladders" from the literature review. Like a game of "Monopoly," where the roll of the dice can drastically alter one's fortunes, the enrollment of 2nd-grade students seems to have a surprising impact on SLB's stock prices, emphasizing the playfulness and unpredictability that can underlie market dynamics.

In essence, our findings lend credence to the innovative and whimsical inquiries that have preceded our study, reminding us that the world of statistics and stock prices is not always as cut-and-dry as ABC. They encourage us to embrace the unexpected

and celebrate the playful nature of intellectual discovery, where scholarly pursuits often lead to delightful surprises and unforeseen connections.

6. Conclusion

In conclusion, our study has uncovered a correlation between the number of 2nd-grade students and the stock price of Schlumberger Limited (SLB) that is as strong as the grip of a child clutching onto their favorite toy. The findings of this research not only raise eyebrows but also send a clear message that there's more to elementary education and stock market dynamics than meets the eye. As we wrap up this whimsical journey through statistical wonderland, it's clear that the link between innocent youth and financial fortuity is not just child's play.

This unexpected marriage of 2nd-grade enrollment and stock prices may leave some scratching their heads, much like the confusion induced by a tricky math problem on a standardized test. However, the evidence speaks for itself, and the correlation coefficient of 0.8291942 stands as a testament to the remarkably robust relationship between these ostensibly unrelated variables.

As we reflect on our findings, it becomes evident that the interplay between youthful exuberance and market trends is not something to be dismissed lightly. It appears that the whims of 2nd graders could potentially sway the tides of the stock market, prompting us to rethink the age-old debate of recess vs. returns.

In the spirit of academic humility, we must acknowledge the limitations of this study. While the statistical evidence presents a compelling case, the underlying mechanisms driving this correlation remain as enigmatic as a child's imagination. Thus, the door is wide open for future research to

delve deeper into the underlying mechanisms behind this unexpected relationship. As Albert Einstein once quipped, "The important thing is to not stop questioning." However, in the case of this particular correlation, we are confident that no further research is needed, as the results of this study undoubtedly present a definitive conclusion.