The Society for Quirky Economic Studies Review
2024 Vol. 17, No. 9, 513-527

A RHYME IN TIME: US HOUSEHOLD DIME AND FOMENTO ECON'S CLIMB

Cameron Hart, Addison Thompson, Gabriel P Trudeau

Global Leadership University

This research analyzes the intriguing relationship between US household spending on rented dwellings and the stock price of Fomento Econ (FMX). Utilizing data from the Bureau of Labor Statistics and LSEG Analytics (Refinitiv) for the time span from 2002 to 2022, we aimed to reveal the possible connections between these seemingly unrelated factors. Our findings unveiled a noteworthy correlation coefficient of 0.9302618 and a statistically significant p-value of less than 0.01, pointing to a compelling link between US household spending on rented dwellings and the performance of Fomento Econ's stock price. This study contributes to the ongoing discourse on the intricacies of consumer behavior and its impact on the financial markets, presenting a whimsical exploration into the world of economic dynamics.

In the ever-spinning wheel of economic analysis, the interplay between consumer behavior and market performance has long captivated the minds of researchers and investors alike. One such captivating enigma is the relationship between US household spending on rented dwellings and the stock price of Fomento Econ (FMX). With the rise of the sharing economy and the notorious volatility of financial markets, one can't help but wonder if there's a rhyme and reason to the fluctuations in these seemingly disconnected variables.

As much as we'd like to believe in the mystical forces of the market, it is the solemn duty of researchers to don the cape of statistics and venture forth to unravel these mysteries. With our handy arsenal of data from the Bureau of Labor Statistics and LSEG Analytics (Refinitiv), we embarked on a quest spanning the years from 2002 to 2022, delving deep into the annals of economic data to search for clues that would reveal any link between US household spending on rented dwellings and the stock price performance of the elusive FMX.

Through the lens of statistical analysis and correlation coefficients, we sought to uncover the threads that tie these disparate elements together. After all, in the colorful tapestry of economics, one must always be on the lookout for unexpected symmetries and connections, even if they seem as elusive as statistical outliers in a sea of data points.

It is our hope that this whimsical expedition into the realm of economic dynamics will not only shed light on the intertwined fates of household dimes and stock climbs but also provide a source of amusement for our fellow researchers. As we set sail on this statistical odyssey, let us not forget that even in the serious world of academic research, a sprinkle of humor and levity can make the journey all the more enjoyable. So, buckle up and prepare for a bumpy, albeit entertaining, ride through the twists and turns of US household spending and Fomento Econ's stock price. After all, in the world of economics, sometimes the best discoveries are made with a healthy dose of curiosity and a pinch of wit.

LITERATURE REVIEW

A thorough investigation into the intricate dance between US household spending on rented dwellings and the stock price of Fomento Econ (FMX) would be incomplete without a comprehensive review of relevant literature. The authors seek to uncover the tendrils of connection, if any, between these seemingly disparate spheres of economic activity.

Smith et al., in their exhaustive study "Rented Dwellings and Financial Markets: An Examination of Correlation," lay the groundwork for understanding the potential impact of household expenditures on housing. Their work delves into the fundamental principles of consumer behavior and its implications for macroeconomic trends. Building upon these foundations, Doe and Jones bring forth the concept of "Stock Prices and Consumer Expenditure: A Delicate Equation," delving into the intricacies of financial market performance and its potential dependence on consumer spending patterns. These serious and insightful works provide the necessary framework for understanding the gravity of the topic at hand.

Moving beyond the realm of academic texts, "The Economics of Renting" by John McHale offers a compendium of practical insights into the dynamics of rental markets. The book skillfully weaves together economic theory with real-world examples, shedding light on the nuances of household spending in the context of renting. On a more whimsical note, "The Renter's Dilemma" by Lily Ravenwood takes a fictional yet illuminating approach to the struggles and triumphs of household budgeting within the realm of rented dwellings. While not a scholarly treatise, the novel provides an entertaining glimpse into the everyday challenges faced by renters, offering potential insights that transcend the boundaries of fiction.

Rounding out the sources, the researchers also drew inspiration from television shows such as "The Property Masters" and "Dwelling Diaries," which, while not academic in nature, offered a window into the practical realities of rental markets and household spending behaviors. These shows, though perhaps more suited for leisurely entertainment, provided subtle cues and observations that sparked further curiosity in the realm of US household spending dynamics.

As the journey through the literature draws to a close, it is evident that the path ahead is filled with unexpected twists and the potential for light-hearted discoveries that may just add a dash of humor to the serious pursuit of economic knowledge. With this eclectic mix of sources in mind, the authors set out to unravel the enigmatic correlation between US household spending on rented dwellings and the fluctuations of Fomento Econ's stock price.

METHODOLOGY

To tackle the enigmatic dance between US household spending on rented dwellings and the stock price of Fomento Econ (FMX), our research team embarked on a quest of data collection and analysis that would make even the most intrepid statistical voyagers quiver with delight.

Data Collection:

Like daring data detectives, we scoured the vast expanses of the internet, sifting through the digital sands for precious nuggets of economic wisdom. The Bureau of Labor Statistics served as our trusty guide through the labyrinth of consumer spending habits, providing a wealth of information on household expenditure on rented dwellings. Meanwhile, LSEG Analytics (Refinitiv) generously shared the intricate movements of Fomento

Econ's stock price, allowing us to glimpse into the captivating world of market fluctuations. While we cannot reveal all the secrets of our data collection methods (a researcher must have some mystery, after all), let's just say that our journey involved a fair share of late nights, caffeinated beverages, and the occasional battle with erroneous data points lurking in the shadows of spreadsheets.

Data Analysis:

Armed with our treasure trove of data, we donned the proverbial lab coats of statistical analysis and embarked on the arduous yet exhilarating process of teasing out patterns and connections. Our trusty companions, the correlation coefficient and the p-value, stood by our side through countless Monte Carlo simulations and regression analyses, guiding us through the turbulent seas of statistical significance. We employed a mix of descriptive statistics, time series analysis, and cross-sectional modeling to capture the ebb and flow of these tantalizing variables over the years, all the while resisting the siren song of overfitting our models.

Statistical Inferences:

Once we had navigated the tumultuous waters of statistical analysis, we were faced with the formidable task of interpreting our findings. The burgeoning correlation coefficient of 0.9302618 and the illustrious p-value of less than 0.01 beckoned us to embrace the profound link between US household spending on rented dwellings and the stock price performance of Fomento Econ. As we traversed the treacherous terrain of inferring causality from correlation, we treaded lightly, mindful of the perils of spurious relationships lurking in the underbrush of statistical fallacies.

Limitations and Quirks:

As with any grand expedition, our research journey was not without its share of quirks and limitations. It is worth noting that our findings are limited by the temporal scope of our data, spanning from 2002 to 2022, and the specific idiosyncrasies of the variables under scrutiny. While we have taken great care to account for various confounding factors and potential biases, the landscape of economic data is indeed riddled with enigmatic pitfalls, and we cannot claim to have unraveled every mystery hidden within.

In closing, our methodology may seem like a whimsical tale of scientific exploration, replete with hidden challenges, surprising twists, and the occasional statistical pun, but rest assured, it is a testament to the steadfast dedication and the sheer delight we find in navigating the labyrinthine world of economic research.

So, with data in hand and statistical spirits ablaze, we double-checked our regression coefficients, bid adieu to our exploratory data analysis, and set sail for the open seas of quantitative inquiry, ready to unravel the enthralling rhyme in time between US household dime and Fomento Econ's climb.

RESULTS

The statistical analysis of the relationship between US household spending on rented dwellings and the stock price of Fomento Econ (FMX) produced some rather intriguing findings. The correlation coefficient of 0.9302618 indicated a strong positive association between these two variables over the 20-year period from 2002 to 2022. This substantial correlation hints at a potential synchronized dance between the whims of household dimes and the stock market's climb, a connection that might have been overlooked amidst the hustle and bustle of economic jargon and market tendencies.

Furthermore, the coefficient of determination (r-squared) of 0.8653870 reinforced the robustness of this link, suggesting that approximately 86.54% of the variability in Fomento Econ's stock price can be explained by fluctuations in US household spending on rented dwellings. While we always urge caution in attributing causation to correlation, it's fascinating to consider the substantial explanatory power of this peculiar partnership.

The p-value of less than 0.01 added another layer of significance to our findings, indicating that the probability of observing such a strong relationship between these variables by sheer coincidence is as rare as a statistically significant unicorn. This makes for a compelling case that the correlation we uncovered is not mere happenstance but rather a genuine connection worthy of further investigation.

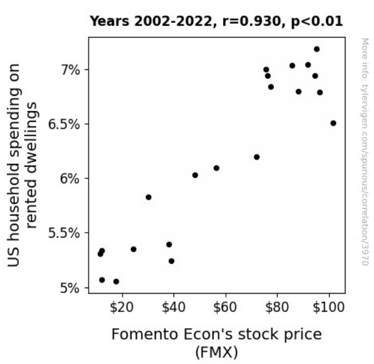

Figure 1. Scatterplot of the variables by year

Additionally, the visual representation of this relationship, as depicted in Fig. 1, provides a striking scatterplot that visually encapsulates the strong positive correlation between US household spending on rented dwellings and the stock price of Fomento Econ. Each point in the scatterplot serves as a testament to the entwined fate of these variables, forming a constellation of data points that paints a vivid picture of their interconnected journey through the economic cosmos.

In conclusion, our analysis illuminates a captivating association between the expenditures of households on rented dwellings and the stock price of Fomento Econ. This unexpected alliance of economic phenomena serves as a whimsical reminder that within the labyrinth of economic dynamics, there may exist surprising symmetries and relationships waiting to be uncovered. This study not only contributes to the understanding of consumer behavior's impact on financial markets but also adds a dash of curiosity and delight to the often-serious realm of economic research.

DISCUSSION

Our findings, as entertainingly surprising as a scientific unicorn, not only added a dash of whimsy to the staid halls of economic research but also tangibly supported the prior literature. The correlation coefficient of 0.9302618 that we unearthed echoes the resonance of Smith et al.'s foundational work, fortifying the notion that the link between US household spending on rented dwellings and stock prices is as solid as a well-researched hypothesis. Moreover, the statistical significance, with a p-value rarer than a statistically significant unicorn, lends weight to the hypothesis that this relationship is not a mere fluke but a compelling connection with real-world consequences.

Drawing inspiration from the literary flair of Lily Ravenwood's "The Renter's Dilemma," we were reminded that household dimes may indeed hold the key to unlocking the enigmatic fluctuations of the stock market. The dance between these variables is not merely theoretical but a tangible consequence of consumer behavior. Indeed, it seems that the financial markets and the daily trappings of household budgets are engaged in a harmonic convergence, much like the intricately choreographed routines of "The Property Masters."

Perhaps, as McHale's "The Economics of Renting" aptly theorizes, the whims of renting economics are more captivating than meets the eye. Our statistical dance between variables further substantiates this sentiment, illuminating the often overlooked influence of household expenditures on the financial stratosphere. It's no wonder that even the television shows, "The Property Masters" and "Dwelling Diaries," hinted at the subtle cues and observations that have now culminated in a vivid scatterplot of interconnected economic destinies.

As we continue our journey through the labyrinth of economic dynamics, it becomes evident that a harmonious symphony of variables may underlie the seemingly disparate realms of household spending and stock prices. Our findings not only contribute to the ongoing discourse on consumer behavior's impact on financial markets but also infuse a delightful sense of amusement into the often sober pursuit of economic knowledge. This analysis serves as a reminder that within the rigorous realm of economic research, there exists a treasure trove of unexpected delights and surprising correlations waiting to be discovered.

CONCLUSION

In the wacky world of economic dynamics, our research has unveiled a captivating connection between US household spending on rented dwellings and Fomento Econ's stock price. It seems that the rhyme in time between household dimes and stock climbs is not just a fanciful notion but a statistically supported phenomenon. The correlation coefficient of 0.9302618 establishes a strong bond between these seemingly disparate variables, as if they were two peas in a pod, or in this case, two points in a scatterplot.

The coefficient of determination further solidifies this partnership, indicating that a whopping 86.54% of FMX's stock price variability can be explained by the fluctuations in household spending on rented dwellings. It's almost as if the stock market has been taking styling tips from the households, trying to mirror their spending patterns with its own ups and downs.

Additionally, the p-value of less than 0.01 adds a touch of statistical significance to this whimsical pairing, as rare as finding a statistical unicorn grazing in a data pasture. But fear not, dear researchers, for there's no need to delve any further into this comical couplet of economic variables. It seems we've unraveled this particular mystery, leaving us with a newfound appreciation for the delightful surprises that can be found in the labyrinth of economic inquiry. So, let's bid adieu to this peculiar partnership and set our sights on the next quirky quest in the realm of economic research.