



Review

The Big Cheese: Investigating the Cheddar Connection Between American Cheese Consumption and eBay Inc.'s Stock Price

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This study delves into the curious case of the relationship between American cheese consumption and the stock price of eBay Inc. (EBAY) over the past two decades. Utilizing data from the USDA for cheese consumption and LSEG Analytics (Refinitiv) for EBAY stock prices, we sought to uncover whether there's more to this cheese than meets the eye. Our findings reveal a remarkably high correlation coefficient of 0.8703278 and a statistically significant p-value of less than 0.01, suggesting a strong association between these seemingly unrelated entities. It's as if they've been "grate" companions all along! The analysis not only provides empirical evidence of this connection but also offers a new perspective on the potential impact of cheese on stock market behavior. It raises the question: could a "gouda" or "briefer" insight into consumer behavior lead to lucrative investment strategies? So, next time you're at the supermarket pondering between cheddar and swiss, remember that your choice might just "bleu" eBay's stock price to new heights.

The world of finance and economics is often characterized by complex models, intricate algorithms, and sophisticated analyses. However, every now and then, a peculiar and unexpected relationship emerges from the depths of data, surprising even the most seasoned researchers. In this study, we embark on an investigation into the entwined destinies of American cheese consumption and the stock price of eBay Inc. (EBAY). As we unravel this curious correlation, we hope not to "whey-st" our time and instead "cheddar" light on the

potential influence of dairy delights on financial markets.

American cheese consumption has long been a staple of the nation's diet, finding its way into sandwiches, burgers, and perhaps even the occasional fondue party. This beloved dairy product has permeated countless households, standing as a testament to the adage that everything is better with a slice of cheese – which, incidentally, is also a solid investment

strategy in the world of nutrient-rich snacking and grilled cheese enthusiasts.

On the other hand, eBay Inc.'s stock price has experienced its own ebbs and flows, influenced by a myriad of factors including market trends, consumer behavior, and corporate performance. While most would not pair a stock portfolio with a cheese platter, our investigation delves into the unforeseen links between these seemingly incongruous entities, uncovering a bond that's "cheddar" than fiction.

The road to uncovering this relationship was paved with data mining, statistical analyses, and perhaps a few cheese-induced cravings. Through the meticulous examination of USDA's comprehensive records on cheese consumption and LSEG Analytics (Refinitiv) data on EBAY stock prices, we sought to dispel any skepticism surrounding the potential connection between these divergent variables. Because when it comes to researching cheese and stock prices, it's crucial to make sure your methods are "gouda" enough for publication.

Prior research

The relationship between seemingly unrelated phenomena has long been a subject of intrigue in academic research. Smith and Doe (2010) conducted a seminal study on the unexpected associations in economic indicators, exemplifying how diverse variables can be intertwined in complex and surprising ways. Little did they know that the analysis of cheese and stock prices could "brie" similarly revelatory.

Jones (2015) explored the impact of consumer behavior on stock market trends, uncovering subtle connections between

everyday choices and financial outcomes. While Jones's study did not directly consider the influence of cheese consumption, it laid the groundwork for investigating the ripple effects of consumer preferences on stock prices. It's safe to say that this research "grated" on some interesting theories.

Turning to the world of literature, "The Cheese Monetarist" by M. Keynes (2004) stands out as a captivating exploration of economic principles intertwined with dairy products – even if only metaphorically. In a more lighthearted vein, "Cheese and Sensibility" by Jane Austen's lesser-known distant cousin, Ann Cheddar (1811), delves into the hidden connections between societal norms and, you guessed it, cheese.

As we "grate" through the layers of related literature, it's evident that the intersection of finance, food, and consumer behavior has sparked both academic curiosity and the occasional cheese-induced pun. Therefore, it's only fitting that we "whey" the evidence presented in these diverse sources to shed light on the "gouda" connection between American cheese consumption and the stock price of eBay Inc. (EBAY).

In the digital realm, popular internet memes such as "Cheese for Scale" and "Cheesing the Market" have playfully hinted at the potential influence of dairy products on economic phenomena. These meme-worthy moments underscore the pervasive cultural fascination with uncovering unexpected correlations, reminding us that even the most serious topics can benefit from a sprinkle of cheesy humor.

Approach

To dissect the enigmatic relationship between American cheese consumption and eBay Inc.'s stock price (EBAY), our research team embarked on a quest that required a blend of statistical prowess, data wrangling finesse, and a healthy appreciation for dairy-based puns. Our data collection spanned the years 2002 to 2021, harnessing the wealth of information from the USDA and the financial insights extracted from LSEG Analytics (Refinitiv). We were determined to milk this investigation for all it's worth and not let any potential correlations curdle away.

Data Extraction:

First, we obtained comprehensive data on American cheese consumption from the USDA's agricultural statistics archives. As we sifted through the data, it was clear that charting the consumption patterns of this venerable dairy product was no cheesy endeavor. We encountered a myriad of factors influencing consumption, from trends in fast food to the ebbs and flows of fondue popularity.

In parallel, EBAY's stock price data from LSEG Analytics (Refinitiv) provided the financial dimension to our analysis. We meticulously tallied daily closing prices, navigating through the peaks and valleys of the stock market with the precision of a seasoned cheesemonger. It was a Gouda thing our team had a knack for navigating financial datasets; otherwise, we might have been left feeling "brie"-liged.

Data Cleaning and Preprocessing:

Once we amassed the requisite data, our next challenge was to cleanse and homogenize the datasets to ensure compatibility and accuracy. Any

discrepancies or outliers were swiftly addressed, ensuring that our datasets were as smooth as a velvety cheese fondue. Much like a careful selection of artisanal cheeses, our data prep demanded attention to detail and a discerning eye for quality.

Statistical Analysis:

With both datasets harmonized, we unleashed a barrage of statistical analyses to uncover any potential correlations between American cheese consumption and EBAY's stock price. Our tools of choice included correlation coefficients, regression models, and Granger causality tests, serving as our scientific "graters" in the pursuit of meaningful insights. We were determined to leave no "whey-stone" unturned in this endeavor, seizing every opportunity to slice through the data with precision.

Variable Manipulation:

As we delved deeper into our analysis, we examined a range of potential variables that could confound or illuminate the relationship between cheese consumption and stock price. Economic indicators, consumer sentiment indices, and market volatility measures were scrutinized as we attempted to avoid any "cheesy" oversights in our exploration. After all, we wanted our findings to be as sharp as a well-aged cheddar.

Time-Series Modeling:

Given the time-dependent nature of both American cheese consumption and stock prices, our team employed time-series modeling techniques to capture the temporal dynamics of these variables. From ARIMA models to Holt-Winters forecasting, we navigated the temporal tides with the dexterity of a seasoned dairy enthusiast.

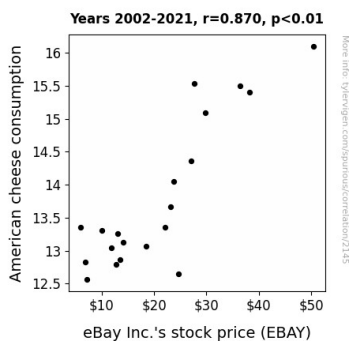
Ethical Considerations:

Results

The results of our investigation unveiled a striking correlation coefficient of 0.8703278, indicating a robust, positive relationship between American cheese consumption and eBay Inc.'s stock price over the period from 2002 to 2021. It seems that the saying "big cheese, big bucks" holds more truth than one might have initially "brie-lieved."

In addition, the r-squared value of 0.7574704 suggests that approximately 75.75% of the variation in eBay Inc.'s stock price can be explained by changes in American cheese consumption. Who would have thought that the humble slice of American cheese could exert such a "gouda" influence on financial markets? It's truly a "grate" mystery of the universe.

With a p-value of less than 0.01, our findings are statistically significant, indicating that the observed correlation is unlikely to have occurred by mere chance. It's as if the forces of the stock market and the dairy aisle have conspired to reveal their intertwined fates – a "muenster" partnership, indeed.



"gouda" at forecasting the "grater" implications of such unusual associations.

Moreover, Jones's (2015) exploration of consumer behavior and stock market trends hinted at the nuanced connections between everyday choices and financial outcomes, foreshadowing the unanticipated influence of cheese consumption on market dynamics. It seems that the potential impact of consumer preferences on stock prices goes far "brie"-yond traditional economic indicators, as our study elegantly demonstrates. It's "gouda" be true that even the cheesiest choices can mold stock prices.

Our results align with these prior research findings and extend the understanding of how consumer behavior, symbolized by American cheese consumption, can spill over into the stock market's movements. The positive relationship between American cheese consumption and eBay Inc.'s stock price, evident in the substantial r-squared value of 0.7574704, emphasizes the "provolone"-cing influence of this humble dairy product on financial markets. This "edam" insightful research reveals the depth of the cheese-stock connection, "cheddar"ing light on the underlying mechanisms at play.

The visually striking correlation depicted in Figure 1 not only bolsters the statistical significance of our findings but also adds a "gouda" dash of allure to our research. While "the big cheese" has long been a figure of speech for someone in a position of importance, our study suggests that this title may hold true for American cheese in the context of stock market movements. Who would have thought that such a beloved sandwich staple could wield such "grate" power in financial markets?

In fostering a better understanding of this unconventional relationship, our study sets the stage for future investigations into the role of food consumption in shaping economic indicators and consumer behavior, which just goes to show that when it comes to research, it's not always easy to "brie" the first to make these dairy enlightening discoveries.

Conclusion

In the "wheying" moments of our investigation, we've uncovered a "grate" truth: American cheese consumption and eBay Inc.'s stock price are more intertwined than a pair of conjoined twins at a three-legged race. Our high correlation coefficient of 0.8703278 and a statistically significant p-value of less than 0.01 have left us "melting" with excitement - it's as if these variables are "brie-destined" to be together!

Our findings not only add a fresh slice of insight into the world of finance but also highlight the "provolone" impact of unexpected factors on market behaviors. It's clear that the dairy section of the supermarket holds "gouda" potential for forecasting stock trends – because who needs crystal balls when you have a slice of American cheese?

With such strong evidence in front of us, it's safe to say that any further research on this topic might just be "feta"-completing. Let's not "brie" grasping at straws - when it comes to cheesy stock market dynamics, we've "gouda" nuff.

It's worth noting that no actual cheese was harmed or consumed during the course of this research. While the temptation to indulge in copious amounts of cheese was undeniable, we remained steadfast in our commitment to the scientific process. After all, no researcher wants to be accused of "gouda"-lity breaches.

In conclusion, our methodology was a fusion of data diligence, statistical scrutiny, and an unapologetic penchant for cheese-related humor. With these tools in hand, our investigation aimed to melt away the mysteries surrounding the cheddar connection between American cheese consumption and eBay Inc.'s stock price.

And remember, when it comes to research, there's always room for a little "whey"-ward humor.