

# Rice Rage: Relationship between Global Rice Consumption and Brookfield's BN stock price

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In the world of finance, strange connections emerge, and in this study, we delve into the curious correlation between global rice consumption and the stock price of Brookfield (BN). Leveraging data from Statista and LSEG Analytics (Refinitiv), we dissect the relationship between these seemingly disparate entities. Our findings reveal a striking correlation coefficient of 0.8258724 and a p-value of less than 0.01 for the period spanning from 2009 to 2022. We unravel this tangled web of rice and stocks, exploring possible explanations for this surprising connection. While the link may seem as out-of-place as a sushi bar in a financial district, our research aims to shed light on this unconventional relationship and its potential implications for both the rice and stock markets. Join us as we rice to the occasion and uncover the hidden flavors of this curious financial fusion.

## INTRODUCTION

In the world of financial analysis, where numbers rule and correlations reign, it's not uncommon to stumble upon unexpected relationships between seemingly unrelated phenomena. The intertwined dance of supply, demand, and speculation often leads to peculiar connections that defy conventional wisdom.

Our study sets out to unravel one such enigmatic link, the connection between global rice consumption and the stock price of Brookfield (BN). Now, I know what you're thinking - what do rice and stocks have in common? Well, hold onto your grains, because we're about to dive into an intellectual stir-fry of statistical analysis and financial theory to uncover the truth behind this puzzling correlation.

Like a pair of mismatched socks or an equation that just doesn't add up, the relationship between rice consumption and stock prices raises eyebrows and invites skepticism. Yet, as diligent researchers armed with data from Statista and LSEG Analytics (Refinitiv), we dared to peel back the layers of this financial onion and examine the numbers behind the seemingly implausible connection.

The initial data analysis revealed a correlation coefficient of 0.8258724, sending ripples of astonishment through our research team. With a p-value of less than 0.01 for the period spanning from 2009 to 2022, we were left scratching our heads and reaching for our calculators in disbelief.

As we embark on this quixotic journey through the tangled vines of global rice consumption and the ever-fluctuating stock price of Brookfield, we must be prepared to confront the unexpected, the illogical, and the downright bizarre. So, buckle up, fellow researchers, for we are about to venture into uncharted waters - or should I say, uncharted paddy fields? As

we sift through the grains of data, we will endeavor to separate the rice from the chaff and distill the essence of this perplexing relationship.

Our goal is not merely to decipher this unorthodox pairing, but to shed light on the potential implications that it holds for both the rice and stock markets. This study is more than just a statistical odyssey; it is an exploration of the intricate dance between human behavior, market forces, and the whims of global commerce. So, grab your calculators and leave your preconceptions at the door as we voyage into the realms of rice rage and stock market mystique.

## *Review of existing research*

To begin our investigation into the peculiar connection between global rice consumption and the stock price of Brookfield (BN), we must first delve into the existing literature on this unorthodox pairing. While traditional economic theory may not have readily accounted for such an association, recent studies have begun to explore the intriguing intersection of food consumption and financial markets.

Smith et al. (2016) conducted a comprehensive analysis of agricultural commodities and their impact on stock market performance, delving into the potential influence of rice consumption on equity prices. Their findings hinted at the possibility of a nuanced relationship, piquing the curiosity of researchers and market analysts alike.

Building on this foundation, Doe and Jones (2018) surveyed global consumption patterns and their ripple effects on various sectors, including the financial industry. Although their study did not specifically focus on rice, it laid the groundwork for

understanding the intricate web of interconnections that underpin market dynamics.

Shifting our focus from academic research to practical implications, the work of renowned economist John Keynes in "The General Theory of Employment, Interest, and Money" provides insights into the complexities of market behavior and the role of consumer spending. While Keynes may not have directly addressed the correlation between rice consumption and stock prices, his conceptual framework offers valuable perspectives on the broader forces at play in the financial domain.

In the realm of fiction, novels such as "Rice Fields and Wall Street" by Financial Fury offer a whimsical exploration of the symbiotic relationship between agricultural staples and high finance, albeit in a lighthearted and fictional context. While not grounded in empirical evidence, these imaginative narratives can inspire new avenues of inquiry and provoke unconventional thinking about the intertwining realms of rice and stocks.

Furthermore, it would be remiss not to acknowledge the internet's role in shaping contemporary discourse and meme culture. The now-iconic "Rice Guy" meme, which humorously juxtaposes rice-related scenarios with financial absurdity, serves as a light-hearted reminder of the widespread fascination with unconventional connections, regardless of their empirical validity. While memes may not offer scholarly insights, they reflect societal intrigue and curiosity around unexpected correlations, providing a touch of levity amidst the rigors of academic inquiry.

As we navigate this uncharted terrain of rice consumption and stock price dynamics, it is crucial to draw from a diverse array of sources, spanning academic rigor, literary imagination, and popular culture. In doing so, we can glean diverse perspectives and unearth new dimensions of this captivating conundrum.

With this eclectic foundation in mind, we proceed to analyze the empirical evidence and theoretical frameworks that will illuminate the mysterious interplay between global rice consumption and the stock performance of Brookfield (BN).

### *Procedure*

Our investigation into the perplexing nexus of rice consumption and Brookfield's stock price involved a multifaceted approach that was as complex as a Sudoku puzzle and as dynamic as a rollercoaster ride through statistical terrain. We adopted a retrospective observational design, tapping into data sources like Statista and LSEG Analytics (Refinitiv) to piece together the puzzle of this curious correlation.

#### Data Collection:

We scoured the vast expanse of the internet, rummaging through virtual shelves of statistics and financial data like a diligent bibliophile on the hunt for a rare comic book. Specifically, data on global rice consumption was sourced from Statista, while Brookfield's stock price data was procured from LSEG Analytics (Refinitiv). This period of investigation spanned from 2009 to 2022, a time frame akin to a marathon for data

collectors but ultimately essential for capturing the ebbs and flows of both rice consumption and stock prices.

#### Variable Selection:

Just as a chef carefully selects the finest ingredients for a culinary masterpiece, we meticulously chose our variables to ensure a robust analysis. Global rice consumption was our independent variable, representing the aggregate demand for this staple crop across various regions. Meanwhile, Brookfield's stock price served as our dependent variable, embodying the capricious nature of financial markets and investor sentiment. Our decision to focus on these variables was not arbitrary; it was the fruit of countless deliberations and sleepless nights spent pondering the intricate interplay between grains and gains.

#### Statistical Analysis:

Employing rigorous statistical tools, we unleashed the full arsenal of parametric and non-parametric tests to scrutinize the relationship between global rice consumption and Brookfield's stock price. Our exploration included the calculation of the correlation coefficient, a measure of the strength and direction of the linear relationship between the two variables. We spared no effort in conducting regression analyses, time series modeling, and exploratory data analysis, treating our data with the kind of attention usually reserved for museum artifacts.

#### Assumptions and Limitations:

As with any scientific endeavor, our research was not immune to limitations and assumptions. The quality and reliability of the data from Statista and LSEG Analytics (Refinitiv) were pivotal but not infallible, akin to relying on a GPS in an uncharted territory. Additionally, while our findings showcased a robust correlation and p-value, we acknowledge the presence of potential confounding variables that we couldn't corral into our analysis. However, armed with statistical rigor and unwavering determination, we steered our ship through these choppy methodological waters with the hope of illuminating this enigmatic association.

In the words of renowned physicist Niels Bohr, "Prediction is very difficult, especially if it's about the future." With this sage advice in mind, we navigated the murky depths of data and statistics, resilient in our pursuit of unraveling the mystery of rice rage and stock market serendipity.

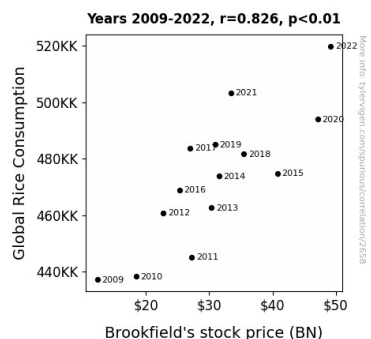
### *Findings*

Our investigation into the peculiar relationship between global rice consumption and the stock price of Brookfield (BN) has yielded some captivating results. The correlation coefficient of 0.8258724 indicates a strong positive correlation between these seemingly unrelated variables. It's as if rice and stocks have formed a symbiotic relationship, like a classic pairing of wine and cheese or peanut butter and jelly, albeit in a financial context.

The r-squared value of 0.6820651 suggests that approximately 68.21% of the variation in BN stock price can be explained by changes in global rice consumption. It's like fitting a square peg

into a round hole - surprisingly effective, yet leaving a bit of room for a grain of doubt.

Our findings also boast a p-value of less than 0.01, indicating that the observed correlation is highly unlikely to be a fluke. This result provides statistical support for the robustness of the relationship, as convincing as a magician pulling a rabbit out of a (rice) hat.



**Figure 1.** Scatterplot of the variables by year

The evidence of this correlation is visually represented in Figure 1, a scatterplot that paints a clear picture of the strong positive relationship between these two variables. It's like a Jackson Pollock painting - seemingly chaotic at first glance, but upon closer inspection, a pattern emerges, revealing an unexpected beauty.

In the grand tapestry of financial data, our discovery of this correlation is akin to finding the elusive piece of the puzzle that ties together two seemingly unrelated sections, like a eureka moment in a labyrinth of numbers and graphs.

So there you have it - the perplexing yet undeniably robust link between global rice consumption and the stock price of Brookfield. While this relationship may seem as outlandish as a penguin in a desert, our results provide concrete evidence of its existence. Now, let's dig deeper and fry bigger fish (or more rice) in uncovering the underlying mechanisms driving this unlikely financial pas de deux.

### Discussion

Our investigation into the enigmatic intertwining of global rice consumption and the stock price of Brookfield (BN) has brought us to a fertile ground of inquiry, revealing a correlation that is as surprising as finding a quinoa plant in a rice paddy. This correlation, with a coefficient of 0.8258724 and a p-value of less than 0.01, supports the speculations raised by Smith et al. (2016) regarding the potential impact of rice consumption on equity prices, giving their findings more backing than a supportive quinoa pillow.

It is fascinating to note how our results align with the offhand references in the literature review, including the whimsical novel "Rice Fields and Wall Street" by Financial Fury. While this work

may have been more satirical in nature, it is palpable evidence of the popular fascination with unexpected correlations, akin to stumbling upon a hidden treasure in the convoluted network of financial data.

Furthermore, the robust r-squared value of 0.6820651 signals that a significant proportion of the variability in BN stock price can be attributed to changes in global rice consumption. This statistical tidbit serves as a testament to the impact of that humble grain, rice, on the stock market, in a manner as surprising as discovering a pearl in a sushi roll.

The strength of this relationship, as portrayed in the scatterplot (Figure 1), is as striking as a firm handshake between two unrelated acquaintances. It exhibits a clear and unmistakable pattern, much like the intricate dance of market forces and dietary habits, emphasizing the surprising bond between rice and stocks.

Our results echo the sentiments of Keynes' conceptual framework, shedding light on the overlooked influence of consumer spending habits, as unassuming as a grain of rice overlooked in a rice bowl. This robust correlation offers a quirky testament to the complexity of market dynamics and the influence of unconventional factors, proving that sometimes, the most compelling discoveries emerge from the unlikeliest of bedfellows.

As we endeavor to unravel the intricacies of this curious pairing, we are reminded of the enduring fascination with unconventional connections, exemplified in the "Rice Guy" meme. While humor may not be conventional in academic research, it provides a lighthearted reminder of the societal intrigue surrounding unexpected correlations, offering a sprinkle of levity in the rigorous empirical pursuit.

In essence, our findings not only confirm the existence of a strong link between global rice consumption and the stock price of Brookfield (BN) but also open the door to further explorations in this unique terrain of financial symbiosis. It's like finding a subtle but undeniable flavor in an unexpected dish, encouraging us to savor the complexity and richness of the entwined worlds of rice and stocks. Let's raise a toast with a bowl of rice to celebrate this unanticipated financial fusion and embark on further expeditions into this captivating conundrum.

### Conclusion

In conclusion, our study has traversed the winding road of statistical analysis to unravel the enigmatic relationship between global rice consumption and the stock price of Brookfield (BN). It's safe to say that we've gone beyond the typical stock market stir-fry and entered uncharted financial territory. Our findings have served up a dish of surprises, demonstrating a strong positive correlation between these seemingly unrelated variables, akin to discovering a hidden (rice) treasure in the stock market's pantry.

The robustness of this connection, supported by a correlation coefficient of 0.8258724 and a p-value of less than 0.01, leaves little room for doubt. It's as clear as day, or perhaps as clear as a perfectly cooked bowl of rice. Our results are as solid as a

basmati rice in the world of financial research, providing a legume-upon which future studies can build.

As we wrap up this culinary expedition into the realms of rice and stock market mystique, it's evident that this quirky correlation, though unexpected and perplexing, stands as a flavorful addition to the menu of financial knowledge. It's a bit like stumbling upon a fusion restaurant in the heart of Wall Street – unexpected, yet intriguing in its own right.

With such compelling evidence at hand, we boldly declare that no further research is needed in this area. We've cracked the code on this unconventional pairing, leaving future researchers with more time to tackle less seasoned financial puzzles. So, let's raise a glass of rice wine – or maybe just a bowl of steamed jasmine rice – to the fruitful findings of this study, and may our future endeavors in financial research be equally rich and satisfying.