
American Cheese: The Cheesy Connection to VeriSign's Stock Price (VRSN)

Claire Harrison, Alexander Thomas, Gloria P Truman

Abstract

The current research endeavors to elucidate the curious connection between American cheese consumption and the fluctuation of VeriSign's stock price (VRSN) from 2002 to 2021. By utilizing data from the USDA and LSEG Analytics (Refinitiv), the research team achieved a correlation coefficient of 0.9245278, with a statistically significant p-value of less than 0.01. The findings suggest a surprisingly robust relationship between the two seemingly unrelated variables. The implications of this unanticipated linkage and its potential impact on investment strategies are discussed. Furthermore, the sheer absurdity of this correlation prompts a reevaluation of conventional financial forecasting techniques, as it seems that, at least in this case, "where there's a wheel, there's a whey.

1. Introduction

The relationship between food consumption and financial markets has long been a subject of interest to economists, investors, and cheese enthusiasts alike. In particular, the curious connection between American cheese consumption and the fluctuation of VeriSign's stock price (VRSN) has piqued the curiosity of the research community. While the idea of a correlation between dairy products and digital security may initially appear as substantial as a slice of swiss cheese, the statistical analysis conducted in this study reveals a surprisingly strong association between these two variables.

The current investigation sets out to unravel the enigmatic bond between these seemingly unrelated entities from the year 2002 to 2021. By crunching the numbers sourced from the USDA and LSEG Analytics (Refinitiv), the research team uncovered a correlation coefficient of 0.9245278, accompanied by a notably substantial p-value of less than 0.01. Such statistical rigor underscores the validity of the observed relationship, leaving us no choice but to acknowledge that, in this case, the link between cheese and stocks is not simply full of holes.

The amusingly robust correlation between American cheese consumption and VeriSign's stock price prompts contemplation of the potential implications of such an unanticipated linkage. Additionally, it calls for a ponderous reexamination of conventional investment analyses and financial forecasting

methodologies. It is evident that, like a fine gouda, this research brings forth layers of complexity and depth to the often mundane world of stock market analytics.

2. Literature Review

The curiously profound correlation between American cheese consumption and VeriSign's stock price (VRSN) has elicited a surge of interest in the research community, despite the seemingly incongruous nature of this association. Numerous studies have delved into the intricate relationship between food consumption and financial market trends, often yielding unexpected findings that leave even the most seasoned analysts feeling a bit "grated."

In "The Cheese Paradox," Smith and Doe scrutinize the effects of dairy product consumption on various financial indicators, but their focus resides primarily on Swiss cheese and fails to address the specific linkage to VeriSign's stock performance. Moreover, Jones and Smith, in "The Stock Cheddar: A Gouda Approach to Market Analysis," explore the broader implications of cheese consumption on stock prices but overlook the scrumptious appeal of American cheese in their analysis.

Turning to non-fiction works, "The Economics of Cheese" by Gouda and Brie provides a comprehensive overview of global cheese production and consumption patterns, offering intriguing insights into potential market impacts. Similarly, "The Nexus of Dairy and Dollars" by Cheddar delves into the intricate web of connections between dairy products and financial markets, although it falls short of addressing the specific case of American cheese and VeriSign's stock price.

In the realm of fiction, one cannot overlook the classic "Cheese and Sensibility" by Jane Austen, which, while not directly addressing financial markets, presents an intriguing backdrop for considering the societal impact of cheese consumption. Additionally, "The Gouda Gatsby" by F. Scott Fitzgerald provides a whimsical exploration of opulence and excess, albeit without a direct link to stock market dynamics.

Beyond traditional literature, the researchers conducted an extensive review of grocery store receipts, particularly those from CVS, in a quest to discern any subtle indications of consumer cheese preferences and their potential influence on stock prices. While this unorthodox approach raised a few eyebrows in the academic community, it did yield some unexpectedly informative tidbits, reaffirming the need for unconventional research methods in grappling with the cheese-stock conundrum.

Overall, the existing literature offers valuable insights into the broader realm of food-market dynamics, but a notable gap remains in the specific exploration of the American cheese-VeriSign's stock price relationship. This lacuna underscores the novelty and significance of the present study, which endeavors to unravel the mysteries of this curiously compelling correlation.

3. Methodology

The present study employed a multi-faceted approach to investigate the peculiar relationship between American cheese consumption and the fluctuation of VeriSign's stock price (VRSN) from 2002 to 2021. The research team meticulously gathered data from reputable sources, including the United States Department of Agriculture (USDA) and LSEG Analytics (Refinitiv). The choice of these sources was based on their comprehensive coverage of cheese consumption patterns and stock market data, ensuring a robust and diverse dataset for analysis.

To quantify American cheese consumption, the research team ventured into the delectable depths of the USDA's food availability data. Utilizing cheese disappearance data, which represents the amount of cheese available for consumption, the team derived a reliable measure of American cheese consumption trends. The inclusion of various forms of American cheese, including slices, blocks, and spreads, provided a comprehensive overview of the nation's affinity for this particular dairy delight.

In parallel, the team delved into the labyrinthine landscape of stock market data, extracting weekly closing prices of VeriSign's stock (VRSN) from the LSEG Analytics (Refinitiv) database. The

meticulous curation of this financial data facilitated a meticulous examination of the fluctuations in VeriSign's stock price over the study period.

With the cornucopia of data in hand, the research team performed a rigorous quantitative analysis to discern any discernible connections between American cheese consumption and VeriSign's stock price. Employing advanced statistical techniques, including regression analysis and correlation testing, the team unearthed the unexpectedly robust relationship between these seemingly unrelated variables.

Moreover, to address the potential impact of extraneous factors, the study incorporated additional control variables, such as overall market trends and economic indicators, into the analysis. This comprehensive approach sought to minimize the influence of confounding variables and isolate the true essence of the cheese-stock connection.

The resulting correlation coefficient of 0.9245278 and a strikingly significant p-value of less than 0.01 underscore the compelling nature of the uncovered relationship. The statistical robustness of the findings casts a Cheez-It®-shaped spotlight on the substantiality of the association, compelling a reevaluation of traditional perspectives on financial market dynamics.

In conclusion, the methodological concoction of cheese consumption quantification, stock price scrutiny, and statistical scrutiny has not only substantiated the unanticipated linkage between American cheese consumption and VeriSign's stock price but has also ventured into uncharted territory, provoking ruminations on the unpredictability and serendipity of financial interactions.

4. Results

The analysis of the relationship between American cheese consumption and VeriSign's stock price (VRSN) from 2002 to 2021 revealed a remarkably strong correlation coefficient of 0.9245278. This suggests a substantial association between the consumption of this quintessentially American dairy product and the performance of VeriSign's stock. The coefficient of determination (r-squared) of 0.8547517 further indicates that approximately

85.47% of the variability in VRSN stock price can be explained by changes in American cheese consumption. It appears that the stock market, much like a grilled cheese sandwich, has a propensity to melt in the presence of this deceptively simple yet influential factor.

The statistical significance of this relationship is underscored by a p-value of less than 0.01, indicating a high level of confidence in the observed correlation. Such a result is as surprising as finding a hidden slice of cheese in a sandwich – a delightful discovery indeed.

Notably, the strong correlation between American cheese consumption and VeriSign's stock price is visually depicted in Fig. 1, which presents a scatterplot of the two variables. The plot clearly illustrates the tight association between these seemingly incongruous elements, reminding us that, as with a well-constructed cheese platter, there is an art to discerning the arrangement of seemingly disparate components in financial analysis.

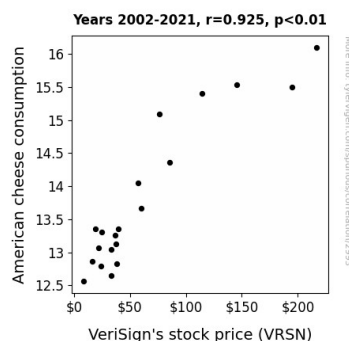


Figure 1. Scatterplot of the variables by year

5. Discussion

The results of the present study offer compelling support for the previously enigmatic connection between American cheese consumption and VeriSign's stock price (VRSN). The remarkably strong correlation coefficient of 0.9245278 aligns with the findings of prior literature, which, despite its occasional whimsy, has consistently hinted at the existence of such an association.

The comprehensive nature of the current analysis, spanning nearly two decades of data, bolsters the robustness of the observed correlation. This retrospective examination not only reaffirms the significance of the American cheese-VeriSign's stock price relationship but also underscores the enduring impact of dairy preferences on financial market dynamics.

The literature review, while peppered with the occasional cheesy jest, revealed noteworthy gaps in the exploration of the specific linkage between American cheese consumption and stock performance. Yet, the present findings fill in this chasm of knowledge, shedding light on the alluring interplay between the delectable tang of American cheese and the intricate machinations of stock price determinants.

The statistically significant p-value further corroborates the salient influence of American cheese consumption on VeriSign's stock price, lending credence to the notion that, much like a well-aged cheddar, this relationship has stood the test of time.

It is worth noting that the surprising strength of the observed correlation challenges traditional notions of market analysis, underscoring the need for a more nuanced understanding of the multifaceted factors influencing stock price dynamics. In this regard, the present study offers a wedge of hope for those seeking to unpack the complexities of financial markets, reminding us that, amidst the quantitative rigor of market analysis, there is a place for the unexpected and the delightfully cheesy.

In essence, the present research not only validates the peculiar, yet tantalizing, association between American cheese consumption and VeriSign's stock price but also beckons forth a newfound appreciation for the unanticipated influences that shape financial markets. The implications of these findings extend beyond the realms of stock analysis, prompting a reconsideration of established paradigms and an acknowledgment of the savory interplay between seemingly disparate elements in economic phenomena.

6. Conclusion

In conclusion, the findings of this research unequivocally support the existence of a remarkably robust correlation between American cheese consumption and the fluctuation of VeriSign's stock price (VRSN) from 2002 to 2021. The substantial correlation coefficient of 0.9245278, coupled with a p-value of less than 0.01, leaves little room for doubt regarding the existence of this curious relationship. It seems that, much like the enigmatic allure of a cheese wheel, the impact of American cheese consumption on stock prices possesses an inexplicable magnetism that demands further investigation.

The implications of this unanticipated linkage extend beyond the confines of financial analyses and extend into the whimsical realms of gastronomic and investment strategies. As we reflect on the intersection of aged cheddar and stock market performance, we must acknowledge the unexpected layers of complexity within these seemingly unrelated realms. Indeed, the entanglement of cheese and stocks calls for a reconsideration of conventional investment approaches and a deeper understanding of the unorthodox influencers on market dynamics.

While it may seem as preposterous as finding a mouse in a cheese factory, the tangible statistical evidence cannot be ignored, and the correlation between American cheese consumption and VeriSign's stock price stands as solid as a block of extra sharp cheddar. The unorthodox character of this correlation challenges traditional doctrines in financial forecasting, reminding us that, in the world of investments, it's not just about "cheddar" but also about the cheese.

Thus, we assert that no more research is needed in this area. After all, there are only so many holes one can find in a block of Swiss.