

Twitter stock continues to slide

January 8 2014

Twitter's stock price continued a recent decline on Wednesday, closing down 3.5 percent after an analyst lowered the short messaging service's rating on concerns that its stock price is too high.

Shares of Twitter Inc. surged 53 percent in December as investors disregarded the company's lukewarm early-November [initial public offering](#). But the company's soaring stock price has given analysts pause, even as they remain upbeat about Twitter's business model.

Youssef Squali of Cantor Fitzgerald sees big things ahead for Twitter, but says the December surge was unwarranted. At least two other analysts have expressed similar concerns in recent weeks. Squali lowered his rating on Twitter's stock to "Sell" from "Hold" on Wednesday.

Twitter went public nine weeks ago with an IPO price of \$26. It closed at \$59.29 on Wednesday.

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