Fidget spinner craze already priced in to Five Below shares, says KeyBanc Capital Markets

Shares in discount retail chain Five Below (NASDAQ:FIVE) dropped 4.6% as it received a downgrade from KeyBanc Capital Markets, which said fidget spinner sales are on the wane.

Fidget spinners are the latest craze sweeping across school playgrounds and beyond.

Aimed at keeping fingers busy and a de-stressing tool, they were originally for kids with autism.

"While fidget spinners are still contributing to sales at FIVE, our channel checks indicate sales have been decelerating in recent weeks, potentially at a pace not expected by the market," analyst Bradley Thomas penned in a note.

He reportedly added that he believed the performance of the stock in the year so far has already priced in the enthusiasm for spinners, and looks therefore to have run out of steam.

"As such, we believe the risk/reward for FIVE shares are more balanced over the next three to six months."

KeyBanc has lowered its stance on the firm to 'sector weight' from 'overweight'.

Five Below shares have been one of the best performing in the retail sector this year - adding 28% in the year to date, but today they dropped 4.63% to $48.65.
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