

Grey market thrives outside Hong Kong Apple store

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A grey market for the iPhone 5 sprang up on the doorstep of Hong Kong's Apple store Friday as it hit shelves for the first time, with resellers offering to pay more than 50 percent above retail price.

As Apple staff cheered the latest purchases inside the store, new iPhone owners were approached outside with offers to buy the hot new gadget at attractive premiums.

"I paid about HK\$8,000 (\$1,030) for the [iPhone](#) just now. We'll sell it for around HK\$9,000 to HK\$10,000," said Suen, a reseller who refused to give his full name.

The normal retail price starts at HK\$5,588 in the [Apple store](#).

"The people that walk out can immediately make a profit of HK\$3,000," added Suen, who works at a gadget shop where he will be able to resell the phones at a profit.

He had collected 15 phones within an hour of their going on sale, even though Apple limited customers to only two phones each.

Most of the secondary business was conducted a short distance from the shop, just far enough not to bother the dozen or so [security guards](#) on hand to keep the peace.

Furtive negotiations took place behind pillars and in fire exits. Once a

deal was struck, money and phones changed hands quickly.

"We aren't doing anything wrong," Suen said.

Apple has been criticised in the past past for doing too little to manage the crowds at its product launches in Hong Kong, but journalists on hand for the debut of the [iPhone 5](#) said the atmosphere was relatively subdued.

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