1. Chinese Communists feel they enter negotiations with strong position:

available to the 8th Army, the Chinese Communist Field Commander in Korea, General Peng Teh-huai, advised CCF tactical commanders on 1 July that Chinese delegates to the cease-fire negotiations represent a victorious army, that South Korean demands will be ignored, and that, if negotiations prove unsatisfactory, the CCF will launch their summer offensive.

Further, the logistical commands of the CCF Third and Fourth Field Armies informed General Peng of the movement of 80,000 new "volunteers" from Manchuria to the Korean front. The U.S. Far East Command-endorses the 8th Army warning that, should this report be true, no significant concessions can be expected—at least in the political field. Further, the time gained by the enemy during extended negotiations would permit them to concentrate forces equal to or greater than those employed during the April offensive and to construct and repair forward airfields for close air support.

2. Chiang Kai-shek expresses his views on Asian situation:

Chiang Kai-shek observed privately to the U.S. Charge at Taipei on 30 June that the Chinese Communists in Korea badly needed a respite and quite likely would agree to a cease-fire and armistice.