

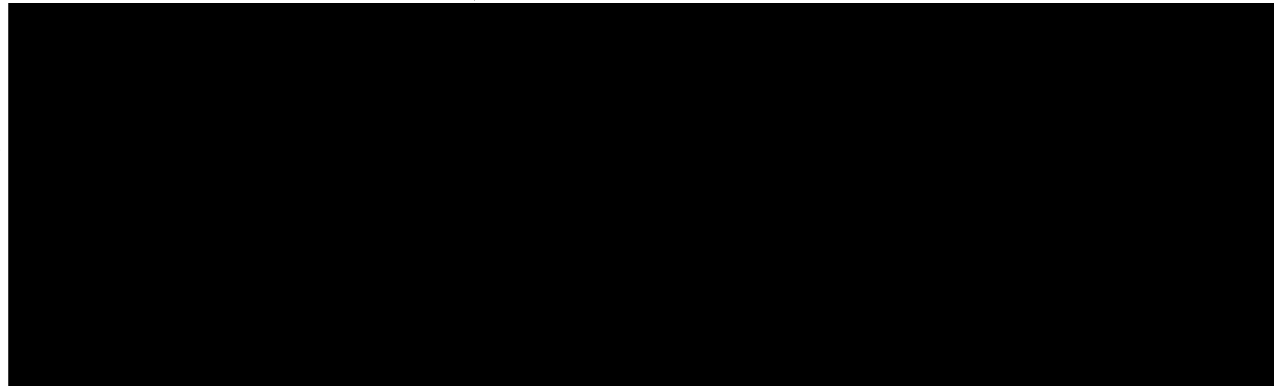
**CONFIDENTIAL**  
**INFORMATION REPORT**

INTELLOFAX 17

COUNTRY Macao/China/Hong Kong  
 SUBJECT Chinese Communist Purchases and Shipments, Macao and Hong Kong  
 PLACE ACQUIRED 25X1A  
 DATE OF INFO. [REDACTED]

CD NO. [REDACTED]  
 DATE DISTR. 5 MAY 51  
 NO. OF PAGES 2  
 NO. OF ENCLS. (LISTED BELOW)  
 SUPPLEMENT TO REPORT NO.

*Handwritten initials and date: 2/5/51*



1. An inspection of the Customs records in mid-February 1951 showed that recently medicines had mostly been imported by the Isia Chung Company of Macao. Rice from the mainland had been sent to the Nan Kuang Company; its price was set at Macao \$55 per picul, while medicines and machinery were evaluated at the market price.\*
2. On 18 February YUAN Shih-cheng; Shih-wu-fu-ti-chia-po-lo, a Soviet adviser; LI Hua (李華), a military specialist; HUANG Nan, an interpreter; and LAI Ch'ang (麥昌), TSENG Shao-fang (曾少芳), LI Chieh-fu, and HUANG Yu-ch'uan, members of the Pearl River District Pacification Committee,\*\* met in Macao for discussions. It was reported that their mission was to stimulate the Hsin Chung and Nan Kuang companies to expedite the transportation of materiel from Macao to the mainland. On 12 February the Nan Kuang Company had obtained Customs clearances for the following: 6 new trucks; 90 boxes of spare parts, and 36 tires; these were shipped to Shihoh'i via Saach'ang on 18 February.

Trucks

3. The Macao office of the Ta Ch'ang Company purchased 30 Dodge trucks, which were transported to Macao on the SS HSIIN SHENG LI (新生利). As of 21 February, 18 of these trucks had arrived in Macao.\*\*\*
4. In late February 1951 Harper and Shea, Limited, agents for British-made Fords, Carnavon Road, Kowloon\*\*\*\*, had sold 50 5-ton trucks to the Chinese Communists. The trucks were to be delivered and sent to Shench'uan in small groups during March 1951.

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Shipments of Petroleum Products and Other Items

5. In mid-February 1951 the Macao Water Police stopped the shipment of 200 drums of gasoline which the Nan Kuang Company had loaded on the SS HENG

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Document No. 7  
 No Change in Class.   
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 Class. Changed To: TS S (C)  
 Date: 19 AUG 1978  
 By: 24

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HSING for shipment to Canton. After the Nan Kuang Company protested to the Macao Economic Bureau, the shipment was allowed to proceed. The restrictions on the export of military materiel to the mainland from Macao were to apply only to ordinary merchants.\*\*\*\*\*

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6. The following shipments were made from Macao to mainland China:

- a. 30 January: 500 gallons of gasoline, 600 gallons of kerosene, 6 boxes of medicines, to Shihch'i on SS MIN LI (永利) for transshipment to Canton.
- b. 6 February: 25 53-gallon drums of gasoline, 15 drums of Diesel oil - by motorboat to Shihch'i.
- c. 7 February: 15 drums and 35 tins of gasoline, 30 rubber tires - to Shihch'i by water.
- d. 9 February: 13 drums of gasoline, 20 drums of Diesel oil - by truck to Shihch'i.
- e. 12 February: 11 drums of gasoline, 82 drums of Diesel oil - by truck to Shihch'i; also a truck load of steel plates to Shihch'i.
- f. 13 February: 19 drums of gasoline, 28 drums of Diesel oil, 8 drums of steel nails - by truck to Shihch'i for transshipment to Canton.
- g. 17 February: 43 drums of gasoline, 50 tins of kerosene, 3 drums of Diesel oil, 3 boxes of medicine each weighing 200 catties - to Canton on SS WAN LEE.
- h. 18 February: 30 drums of gasoline - by truck to Shihch'i; also one truck load of used tires and two truck loads of flour.

Opium

7. On 12 February the motorboat LI CHIANG (利强), plying between Aungmye and Macao, was searched at the Chienshan Customs Station and 18 catties of opium were found. The manager and the boat were detained.

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\* [redacted] Comment. Both companies have been reported frequently as Chinese Communist firms, especially active in trade in gasoline. See [redacted]

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\*\* [redacted] Comment. Previous references on the individuals mentioned include the following:

- HUANG Nan : [redacted]
  - HUANG Yu-ch'uan : [redacted]
  - LI Chieh-fu : [redacted]
  - YUAN Shih-cheng : [redacted]
- Shih-wu-fu-ti-chia-po-lo may be the same as Shih-wu-fu-tai, in [redacted]

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\*\*\* [redacted] Comment. These appear to be the trucks mentioned in paragraph 2 a of [redacted]

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\*\*\*\* [redacted] Comment. The 1949 telephone directory for Hong Kong lists two branches of Harper and Shea in Kowloon, neither at this address.

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\*\*\*\*\* [redacted] Comment. [redacted] the Nan Kuang Company are not ordinary merchants, but there appears to be no evidence in previous reports that the firm enjoys a privileged position in Macao.

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