

WAR DIARY

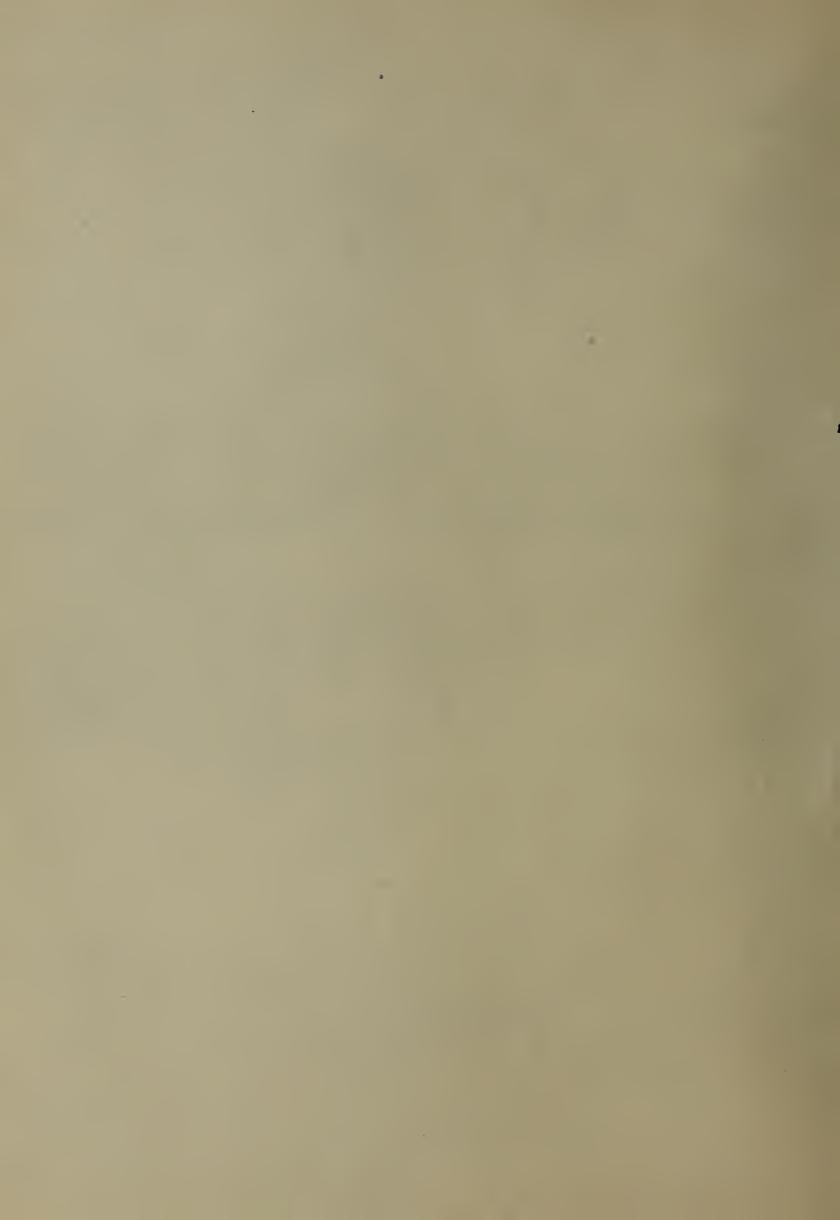
German Naval Staff Operations Division



PART A VOLUME 36

DECLASS 1 OF WALL RECORDS

AUGUST 1942



WAR DIARY OF THE GERMAN NAVAL STAFF

(Operations Division)

PART A

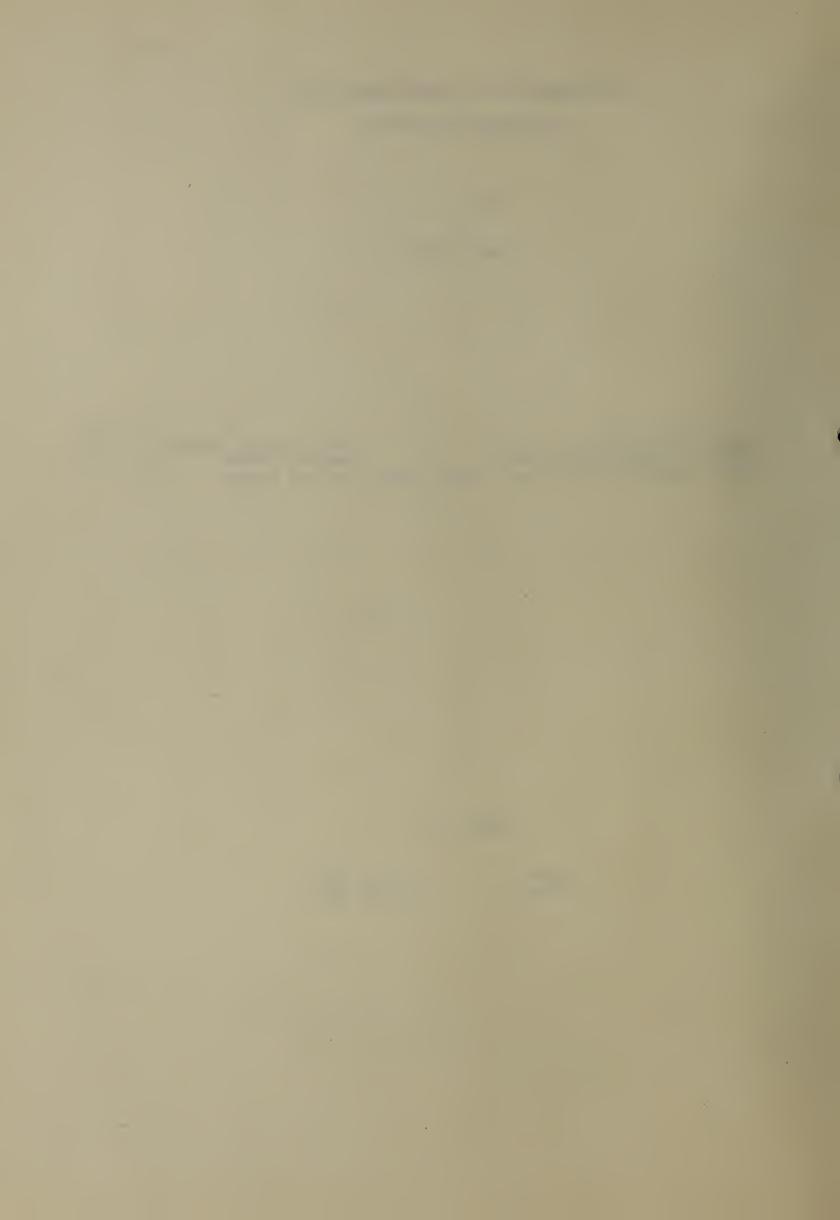
August 1942

Chief, Naval Staff: Grand Admiral Raeder, Dr. h. c. Chief of Staff, Naval Staff: Admiral Fricke Chief, Operations Division, Naval Staff: Captain Wagner

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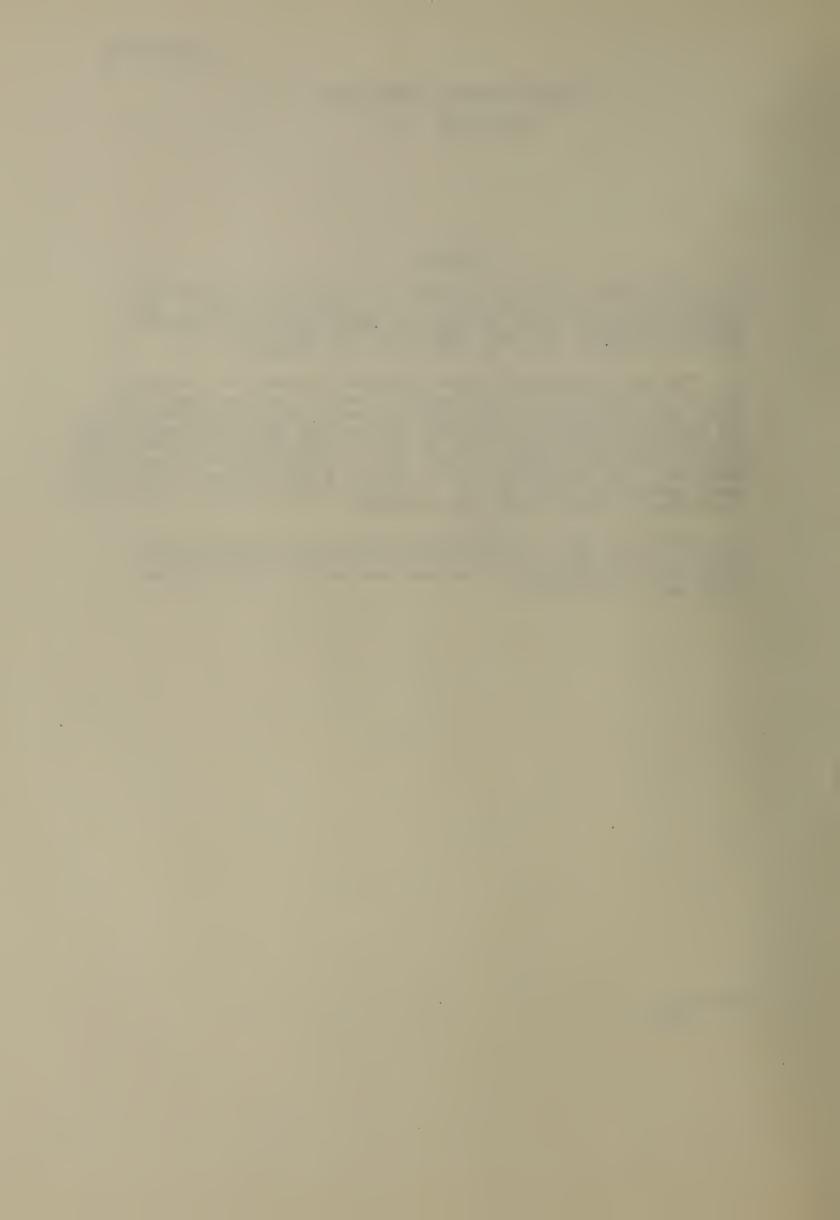


OFFICE OF NAVAL INTELLIGENCE

Washington, D. C.

Foreword

- 1. The Office of Naval Intelligence has undertaken to translate important parts of the War Diary of the German Naval Staff. The present volume, entitled War Diary of the German Naval Staff, Operations Division, Part A, Volume 36 is the tenth one of the series to appear. Other volumes will follow shortly.
- 2. The War Diaries, Part A, are important because they contain a day by day summary of the information available to the German Naval Staff and the decisions reached on the basis thereof. Together with the Fuehrer Conferences on Matters Dealing with the German Navy, 1939-1945, which have been published by this office, the War Diaries should provide valuable material for the study of naval problems arising from total war. The War Diary, Part A, is also a useful index to the German Naval Archives of World War II; references may be found in the microfilm library of Naval Records and Library.
- 3. Due to the cost of publication, only a limited number of copies could be made; it is therefore desirable that the copies which have been distributed are made available to other offices which may be interested.



Items of Political Importance

The question of the Second Front in Europe has considerably increased the tension at home, according to observations by Swedish correspondents in London. Both the caustic criticisms in the <u>Times</u> and the growing sharpness voiced in the press and Parliament bear out this impression. There is no doubt that this question has confronted the government with its gravest crisis. British political circles place the main blame on the vagueness of the statement about the Molotov Pact, which has resulted in public insistance on a Second Front, thus creating a threat to domestic peace.

The Russian radio and the Red press have now likewise begun to demand a Second Front.

Great Britain:

In his radio address to Europe, the First Lord of the Admiralty declared that the continuation of the war depends on the battle of the Atlantic. Without the achievements of the Navy and the Merchant Marine, Great Britain would already have collapsed.

Burma:

On 1 Aug. the newly established central civil administration is taking over. The Japanese Commander in Chief, however, remains the highest authority.

Turkey:

In keeping with Turkey's calculating neutrality policy, the Turkish Prime Minister told the British Ambassador about his great satisfaction with the materiel and food supplies furnished by the Allies, and asked the U.S. Ambassador about additional wheat shipments from the U.S.

U.S.A.:

Roosevelt is preparing a bill introducing universal war service, in order to mobilize for the war effort the labor resources of the nation, which are estimated at 60,000,000.

The trade agreement between the U.S.A. and the U.S.S.R. has been extended till 1943. Negotiations are in progress for a far-reaching new agreement which is supposed to grant important advantages to the Americans in return for Lend-Lease.

Portugal:

From Lisbon comes the persistent rumor that Churchill has flown to Russia.

Sweden:

The press reports that, following a torpedo attack, Swedish escort vessels destroyed 1 Russian submarine by means of depth charges early in July.

Special Items:

The constantly increasing air raid danger and the damage inflicted upon the German shippards on the North Sea and the western Baltic Sea make it imperative to continue moving the shipbuilding and repair facilities of the navy yards to areas situated farther to the east.

This, together with the fact that shipyard facilities are inadequate to begin with, makes it necessary to utilize fully for the Navy all shipyards that are or will become available in the East.

The shipyards thus far taken by us in the Russian theater (e.g., in Libau, Riga, Reval) are not very important because their capacity is rather limited. Leningrad, on the other hand, has a highly developed shipbuilding industry.

Figures for 1939 show that, out of a total of 15 shipyards and repair shops in operation, the 3 largest alone employed as many as 80,000 workers in 3 shifts. While we can hardly expect these plants to fall into our hands undamaged when we take possession of Leningrad, the importance which the Naval Staff attaches to them is so great that it has decided to make the following requests to the Armed Forces High Command, Operations Staff (copies to the General Staff, Army High Command, and the Commander in Chief, Air Force, Operations Staff), referring to Fuehrer Directive No. 44 (see War Diary 22 July):

- a. It should be confirmed that the directive of the Armed Forces High Command, Operations Staff of 19 Sep. 1941, stating that the Navy has first claim on all installations of naval character, applies also to Leningrad and Kronstadt.
- b. Prior to the expected fall of Leningrad a directive similar to the one which was put into effect on a previous occasion for Nikolayev should be issued.
- c. After the fall of Leningrad, all shipyards and related plants should be exempted from any intended retaliatory measures.

Copy as per letter 1/Skl III a 1843/42 Gkdos. in War Diary, File "Barbarossa II". (See also Conference on the Situation with the Chief, Naval Staff on 17 July.)

Situation 1 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

The British steamer EMPIRE VOICE, located 120 miles southwest of Freetown, sent a QQQ distress signal, reporting the sighting of a suspicious-looking ship; shortly thereafter, she reported having received orders to stop.

The British steamer KALEWA sent an SOS from a location 360 miles northeast of Capetown, reporting a collision and requesting immediate help.

2. Own Situation:

No reports have been received from our vessels in foreign waters.

Information on enemy situation is contained in Radiogram 1747.

II. Situation West Area

1. Enemy Situation:

According to a report by a neutral diplomat in England, dated 23 Jul., large numbers of planes are being concentrated on airfields in the eastern and southeastern parts of the country for the purpose of launching a massed attack on the Continent.

The report might refer to the large-scale raids on Hamburg and Duesseldorf which have taken place in the meantime.

According to a telephone message received at 0255 from the political intelligence service of the Foreign Office, a French journalist reported after midnight about a rumor purporting that the U.S. Embassy in Vichy advised American reporters to stand by at their radios on laug. since an Anglo-American landing is about to take place.

If all this talk about an invasion is nothing but bluff, as it may actually be, then the spreading of such a rumor would prove that the enemy, too, knows how to follow through to the minutest detail.

The photographic reconnaissance, carried out by the 3rd Air Force in the forenoon and covering almost completely the southern coast of England, did not reveal any particularly striking changes. Air reconnaissance over the Channel found convoy and ship movements as usual.

2. Own Situation:

Atlantic Coast:

Nothing particular to report.

Channel Coast:

During the enemy air raid on St. Malo in the afternoon of 31 Jul., 2 barges and 1 tanker lighter were sunk, in addition to damages inflicted on the steamer "H 2".

The PT boat flotillas and the 8th Mine Sweeper Flotilla have been transferred according to plan in order to start the mine operations "Masuren" and "Samland" from Cherbourg on the night of 1 Aug.

The artillery group at Le Touquet was ordered to be on the lookout for ships from 2300 on, engine noises having been heard for some time.

At noon, 50 to 60 enemy planes flew over Fecamp in southerly direction.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

During the night of 31 Jul., the second part of the mine operation "Alba" was executed according to plan. The patrol positions off the coast of the Netherlands have been reinforced. Numerous flights were made by enemy planes in and out of the area of the Admiral, Netherlands. Naval anti-aircraft guns shot down 4 planes in this area, while 2 more were downed by naval coastal artillery and by Air Force anti-aircraft artillery. The 17th and 13th Mine Sweeper Flotillas had an engagement with enemy PT boats in the vicinity of Zeebrugge and sank one, setting another one afire. Damage to our vessels was slight. No casualties occurred. Another ground mine was swept off Egmond-aan-Zee.

Group North has requested the Commanding Admiral, Defenses, North to report whether it is suspected or has been observed that additional aerial mines have been dropped, and what conclusions can be drawn with regard to British intentions. (See Telegram 1523.)

The 4 vessels of the 12th Patrol Boat Flotilla have completed their voyage from the Elbe to Hook of Holland.

During the day between 1000 and 1700 enemy planes reconnoitered the German Bight and the surrounding area. One fighter of the Mosquito type (wooden) was shot down near Spiekeroog. Four bombs were dropped in the vicinity of the freight station at Wilhelmshaven. For details see Telegram 1913.

In the course of the day, naval anti-aircraft guns shot down 3 planes in the Dutch area; a fourth plane was probably shot down by naval coastal artillery. In the afternoon, enemy planes raided Flushing. The Scheldt shippard was slightly damaged by bombs.

Convoy routes and channels in the area of the Commanding Admiral, Defenses, North were swept according to plan. The 21st and 22nd Mine Sweeper Flotillas swept mines in mine field 3.

Mine operation "Alba" (cutting float barrage SW 105) was continued by the 8th Motor Mine Sweeper Flotilla in the night of 1 Aug. Transfer of 6 vessels of the 2nd Motor Mine Sweeper Flotilla from Dunkirk to Ijmuiden and of another 6 from Flushing to Dunkirk was started in the same night.

Orders of the Group concerning laying mine fields for the protection of the Dutch coast, in which the wishes of the Army are complied with to a large extent, are sent to the Admiral, Netherlands and the Commanding Admiral, Defenses North. The Naval Staff, Operations Division is notified accordingly. Copy as per 1/Skl 18764/42 Gkdos, in War Diary, Part C, Vol. X.

2. Norway, Arctic Ocean:

Enemy Situation:

Air reconnaissance located 1 battleship, 2 cruisers, 6 destroyers, and 30 medium-sized steamers near Reykjavik. It also sighted 12 to 15 multi-engined planes.

Own Situation:

At 2300 on 30 Jul. and at 0100 on 31 Jul., batteries on the Rybachi Peninsula unsuccessfully fired at convoys heading for Petsamo. Convoys in the area of the Commanding Admiral, Norway proceeded according to plan, without any incidents.

In the Arctic Ocean, submarine U "601" reported as of 31 Jul. the sinking of a 2,000 GRT steamer in quadrant AT 7267. Otherwise there is nothing to report.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing particular has been reported.

2. Own Situation:

During the night of 31 Jul. an enemy plane penetrated into Denmark, flying over Hanstholm. The air observation center at Kolding suspects that agents were landed. In the afternoon, the enemy carried out reconnaissance flights over Denmark and the western part of the Baltic Sea, apparently with a single plane. Fighter defense failed to yield results.

For the order of the Naval Station, Baltic to transfer dock "Bruno" from Kiel to Gdynia see Telegram 1447. The operation will start on 4 Aug. at 0500.

No incidents are reported in connection with the convoy and patrol operations in the area of the Commanding Admiral, Defenses, Baltic Sea.

The Reich Commissioner of Maritime Shipping reports that 18 vessels are riding at anchor in Riga, 6 of which are waiting for escort.

Twelve more ships are waiting for escort in Libau and Windau, and a Dutch floating crane is waiting in Memel. The Reich Commissioner has asked the Navy to issue a directive to increase the escort service or to let him know, should this be no longer possible.

Mine operations "Seehund 1" and "Seeigel 21" have been started in the area of the Commander, Mine Sweepers, Baltic Sea. The 1st Motor Mine Sweeper Flotilla and 3 landing barges are carrying out the operations.

Unfavorable weather restricted subchaser operations. Convoys are proceeding according to plan.

Mine operations "Seehund 4" and "Seehund 5" are scheduled for 2 Aug.

V. Submarine Warfare

1. Enemy Situation:

During the night, the 19th Group was particularly active in its reconnaissance operations. Two reports about submarine sightings were intercepted. A submarine was attacked with depth charges 160 miles southwest of Brest. It is assumed that the attacker scored one hit.

In the evening, radio intelligence located a British vessel 200 miles west of Gibraltar.

Several submarine sighting reports from the American coast and the West Indies were intercepted. A submarine which surfaced 75 miles northeast of Port of Spain was attacked by a plane.

2. Own Situation:

For the success of submarine U "601" see Situation Arctic Ocean.

Group "Pirat" was ordered to give up the search for the convoy in the North Atlantic. Eight submarines which are to form a patrol line from quadrant AJ 9411 to BC 3465 at 0800 on 6 Aug. are being assembled in a group named "Steinbrinck". Submarine tanker U "463" will refuel the submarines from the western Atlantic in quadrant DD 9455.

Submarine U "155" reports from the West Indies that she sank the steamer CLAN MACNAUGHTON (6,088 GRT) in quadrant EE 94 and a steamer of the DALLINGTON COURT class (6,900 GRT) in quadrant EE 86.

No reports have been received from the Mediterranean. For further reports see supplement to submarine situation in War Diary, Part B, Vol. IV.

Regarding the inadequate protection of the submarines in the Bay of Biscay, the Commanding Admiral, Submarines reports that, upon his urgent demands, submarine defense by the German Air Force will soon be improved by reinforcing the units of the Air Command, Atlantic Coast. The Commanding Admiral, Submarines has ordered the submarines, whenever possible, to remain submerged while crossing the Bay of Biscay on routes other than the approach routes. Along the approach routes submarines should proceed surfaced on account of mines, but only in the daytime, because at night there is the added risk of detection by enemy planes while the submarines would be unable to sight the planes in time. The disadvantage of this regulation lies in the fact that the approach routes are more exposed when used during the daytime, and the enemy may mine them. To combat this danger, the Commanding Admiral, Submarines suggests that the forces of the Commanding Admiral, Defenses, West be reinforced by one flotilla of new mine sweepers. The Commanding Admiral, Submarines considers such a reinforcement as urgent in view of the prevailing extremely dangerous situation in the Bay of Biscay. (See Telegram 1345.)

The Naval Staff is investigating whether this proposal can be carried out in the face of the severe shortage of available forces.

VI. Aerial Warfare

1. British Isles and Vicinity:

During the day, 7 planes were shot down and armed reconnaissance was carried out in the West Area. At night, a small number of German planes carried out a raid on Norwich, following which large fires were observed in that town.

In the afternoon, enemy planes attacked Hannover and Frankfurt on the Main. Both towns suffered damage, and casualties were caused among the civilian population. An air raid on Wilhelmshaven was ineffective. During the night of 1 Aug., only isolated enemy flights were reported over the occupied territories of the West Area.

2. Mediterranean Theater:

Our planes raided Malta with satisfactory results. The Air Command, Africa carried out night raids.

3. Eastern Front:

53 enemy planes were shot down on 31 Jul. and 98 on 1 Aug.

During the night of 30 Jul., 8 vessels were sunk and 9 damaged on the Volga between Astrakhan and Kamyshin. Vessels thus far sunk on the Volga total 21,000 GRT. Due to this fact, tugs and barges do not move at night, but enter harbors in the evening.

VII. Warfare in the Mediterranean and in the Black Sea:

1. Enemy Situation, Mediterranean:

According to radio intelligence, submarines are likely to leave Gibraltar again in order to bring supplies to Malta.

Submarines were sighted south of Pola, off Cape Matapan, and in the vicinity of Corfu.

One destroyer, 1 fast escort vessel, 3 corvettes, 2 submarines, 2 mine layers, 2 steamers, and 1 harbor tanker were riding at anchor in Valletta.

On 31 Jul. in the evening, I vessel bound for Malta was located by the Italian Navy by means of radar at a point 140 miles east of Malta.

Small air reconnaissance forces failed to observe any ship movements in the Eastern Mediterranean on 1 Aug. According to radio intelligence, 2 cruisers and 2 destroyers are assumed to have departed from Haifa.

2. Own Situation, Mediterranean:

The Admiral, German Naval Command, Italy resumed his duties

in Rome on 27 Jul.

An enemy submarine made an unsuccessful attack on the Italian gunboat CATTARO south of Pola on 31 Jul.

3. Transport of Supplies to North Africa:

The steamer OGADEN entered Tripoli on 31 Jul. The steamers MILANO and AVENTINO entered Benghazi as scheduled and, after unloading, started on their return voyage to Piraeus. In the evening, enemy planes attacked the AVENTINO convoy. Otherwise, transports are proceeding according to plan, with no incidents to report.

During the day of 31 Jul., 1,796 tons were unloaded in Tobruk.

The following German Armed Forces supplies arrived in North Africa in July 1942:

a. From Piraeus and Crete: 206 men 214 vehicles 4.592 tons

b. From Italy (either directly or via Crete): 994 vehicles 20,914 tons

4. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

On 31 Jul., photographic reconnaissance located the following enemy vessels:

In Novorossisk: 10 small-sized coastal vessels

In <u>Tuapse</u>:

2 destroyers, 6 gunboats,
5 motor mine sweepers, 9 PT boats,
1 submarine, 1 tanker, 10 steamers
and a number of small vessels

Enemy activity leads to the conclusion that he is aware that our forces are being assembled for the Kerch breakthrough.

On 30 Jul., planes raided the harbor and roadstead of Ivanbaba. During the night of 30 Jul., naval forces, presumably 3 to 5 destroyers or fast gunboats, fired at vessels lying off the coast and at coastal batteries in the area of Ivanbaba. When shelled from land, they turned southeastward. They are presumed to have laid mines. On 1 Aug., at 0400, 2 PT boats penetrated into the bay between Ilich and Ivanbaba and launched a torpedo attack against the landing barges anchored in that area. During the night of 30 Jul., 2 mines were observed dropped in the Strait of Kerch off Yeltigen and 1 off Ak Burnu.

Own Situation:

Only slight splinter damage was inflicted on the motor mine sweepers in Ivanbaba during the enemy air raid in the evening of 30 Jul. The motor mine sweeper R "163" is out of commission. On 31 Jul. the PT boat route was searched for mines. During the attack by enemy PT boats in the morning of 1 Aug., the landing barge MFP "334" was badly damaged by a torpedo and grounded. Attempts are being made to lay a net barrage off Ivanbaba. Intensified enemy activity is quite effective, due to our lack of anti-aircraft protection, air reconnaissance, and fighter protection.

It is planned to have 4 boats of the 1st PT Boat Flotilla lay river mines type C in the southern approaches of the Kerch Strait on the night of 1 Aug.

Special Items:

a. In reply to an inquiry by the Naval Staff Operations Division (see War Diary 18 Jul.), the Italian Naval Staff has declared itself basically in agreement with the proposed transfer to the Caspian Sea of part of the Italian forces (surface vessels) employed at present in the Black Sea. The Italian Naval Staff is, however, unable to supply any further vessels for the Black Sea area.

Naval Group South, the Admiral, Black Sea, and the Quartermaster Division of the Naval Staff are being notified to this effect via Telegram 1/Skl 18741/42 Gkdos. Copy in War Diary; Part C, Vol. XIV a.

b. According to the report from Group South, Antonescu has expressed his agreement, for the time being orally, to the removal of battery "Tirpitz", and has requested that I medium railway artillery battery be emplaced in Constanta. Group South, in agreement with the Naval Staff Quartermaster Division, Fleet Branch, is endorsing this measure. In the Group's opinion, a further favorable development of the Army operations will make it unnecessary to transfer battery "Tirpitz" to the Russian Black Sea area, and the 20.3 cm battery captured at Ochakov will suffice for Sevastopol. A written confirmation by Antonescu has been promised.

The Naval Staff Quartermaster Division is taking up the matter in accordance with the directive by the Commander in Chief, Navy. (See War Diary 20 and 21 Jul.)

VIII. Situation East Asia

Nothing to report.

IX. Army Situation

1. Russian Front:

Army Group A:

Combat activities against reinforced enemy rear guards are reported from south of the Yelets sector. On the remaining sectors of the Caucasian front, the advance of our troops continues according to plan. Our forces occupied Remontnaya at the point where the railway crosses the river Sal.

Army Group B:

Our troops reached the river Chir northwest of Chirskaya and the river Don north of Kalach. Near Serafimovich, Italian troops threw the enemy back as far as the Don river.

Central Army Group:

On the entire 9th Army sector from Rzhev up to Byeloi, the enemy carried out strong containing attacks which resulted in isolated penetrations and set off counterattacks.

Northern Army Group:

No noteworthy fighting has been reported.

2. Finnish Front:

Nothing noteworthy occurred.

3. North Africa:

No fighting to report. Enemy planes are intensifying their attacks on our troops.

2 Aug. 1942 Sunday

Items of Political Importance

The attitude of the U.S. Government in the question of the Second Front in Europe is being influenced to an increasing extent by the impending elections. The Daily Mail reports that, strictly speaking, there is no enthusiasm whatsoever in the United States for the establishment of a Second Front, since every sensible person can see that it is an impossible demand in view of the shortage of shipping space. In connection with a Second Front, American newspapers discuss the question of a unified command, for which they mention in the first place De Gaulle, then MacArthur, Marshall, and MacNaughton. In addition to the objections already raised against a Western Front, they point to the fact that even Hitler did not risk an invasion. Among the more important newspapers in Great Britain, the Times and the News Chronicle alone continue to advocate the Second Front. In so doing, the Times places special emphasis on the dangerous effects which the failure to relieve the Soviets might have on the political situation at home. All the other press organs have shifted completely over to the line apparently dictated by the British Government.

As for the enemy's shipping situation, an increasing number of American public officials point to the decisive military importance of this problem. Contrary to the more frequent expressions of apprehension that the speed in building new ships cannot keep pace with the ship losses, the U.S. Navy Department states that during the month of July the U.S. shipyards completed 71 vessels totalling 790,000 tons. (These are not GRT.)

According to United States News, German reports about sinking of ships in American waters are not far from the truth.

Situation 2 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

A British steamer sent an SSS signal reporting sighting a submarine 70 miles east of Lagos.

Indian Ocean:

The Consulate in Lourenco Marques reports that 2 convoys are scheduled to leave Durban on 4 Aug. According to an agent's report, 2 convoys of 35 to 40 ships each are scheduled to leave Capetown for Egypt every month. An agent in the service of the same Consulate reports that the auxiliary cruiser CARNARVON CASTLE was sunk.

No other facts are known to us in connection with this sinking.

2. Own Situation:

No reports have been received about our vessels.

Blockade-runner WESERLAND was ordered by the Naval Staff Operations Division, Merchant Ships, as per 1/Skil I K 1292/42 Gkdos, Chefs. of 18 Jul. 1942, to proceed to Japan by way of Cape of Good Hope or, if necessary, by way of Cape Horn. Copy now 4 in War Diary, Part C, Vol. I.

II. Situation West Area

1. Enemy Situation:

Interrogation of the crew of the motor gunboat "328", which was sunk in the Channel on 21 Jul., revealed the following: In July there were stationed in Dover 1 motor gunboat division of 4 boats, 1 motor torpedo boat flotilla, and 1 mine layer division, but no destreyers. On 21 or 22 Jul., motor torpedo boat "201" was sunk during an engagement at 0100. German air raids on Birmingham in June 1942 did considerable damage. Less successful is the shelling of the long-range battery on the Channel coast. The radio station southwest of Dover was presumably destroyed prior to April 1942. So far, gunfire against convoys consisting of small vessels in the Channel has proved ineffective. For details see Telegram 1800.

2. Own Situation:

Atlantic Coast:

One mine was swept by a mine-sweeping plane off Lorient.

Our forces started laying ground mines with electric firing devices north and south of the entrance to the naval harbor of Brest. For the corresponding message by the Admiral, French Coast, see Telegram 1640.

Channel Coast:

At 0015, the battery group at Le Touquet opened fire on 6 enemy PT boats that had been located. The boats retaliated with counterfire and turned away.

Mine operations "Masuren" and "Samland" have been executed according to plan from Cherbourg. Remote escort was furnished by the 2nd PT Boat Flotilla consisting of 7 boats. At 0242, the 8th Mine Sweeper Flotilla, while approaching Cherbourg, had an engagement with 8 to 10 enemy motor gunboats and motor torpedo boats and 1 light gun carrier. Two enemy vessels were reported as probably destroyed. Our casualties were light. Naval Commands at Cherbourg were on second degree alert from 0300 to 0400. The 2nd PT Boat Flotilla has arrived at Cherbourg. The 3rd Torpedo Boat Flotilla has entered Lezardrieux and is going to transfer to St. Malo during the night of 2 Aug. In view of the fact that after last night's operation torpedo boat T "4" is again out of commission, Group West repeats its urgent request for transfer of an extra boat to the West Area.

The Naval Staff recognizes the need for such a measure. Further torpedo boats will be allotted to Group West as soon as possible. At present, no extra boats are available. Allocations of boats for torpedo training, as well as for open water firing in Trondheim, are indispensable for submarine warfare.

See Telegram 1818 for communications notifying Group West, Group North, the Fleet, and the Commander, Destroyers to this effect.

Route "Herz" between points 232 and 234 has been temporarily closed on account of mines.

For report of the Admiral, French Coast concerning the laying of a mine field in the outer approaches to Boulogne, see Telegram 1430.

III. North Sea, Norway, Arctic Ocean

1. North Sea.:

Enemy Situation:

Nothing to report.

Own Situation:

Mine operation "Alba" (barrage 105) continued according to plan. Work on mine field 3 was completed (see Telegram 2245). Mine detonating vessels succeeded in removing mines off Egmond-aan-Zee, Den Helder, Terschelling, and Norderney.

The 6 vessels of the 2nd Motor Mine Sweeper Flotilla have completed transfer from Ostend to Flushing and the other 6 have transferred from Flushing to Dunkirk.

On the afternoon of 2 Aug., enemy planes were active over Scheveningen and the German Bight between Norderney and Foehr. Naval anti-air-craft guns shot down 2 enemy planes during the raid on Scheveningen.

2. Norway, Arctic Ocean:

Enemy Situation:

Photographic reconnaissance over Iceland located 1 battleship of the KING GEORGE V class, 1 heavy cruiser, apparently of the CUMBERLAND class, 1 DIDO-class cruiser, 7 destroyers, 41 steamers, and 3 tankers (totalling approximately 185,000 to 190,000 GRT) in Hval Fjord, and 14 steamers totalling about 11,500 GRT in the Reykjavik roadstead.

Evidently the assembly of convoy PQ 18 has been completed.

The Japanese Navy reports through the Naval Attache in Berlin that on 26 Jul. a Russian convoy of unknown strength departed from Petropavlovsk via the northern route.

This substantiates the reports so far received.

Own Situation:

There is nothing particular to report from the area of the Commanding Admiral, Norway.

Admiral Schmundt reports that the Admiral, Arctic Ocean has surrendered his duties to Rear Admiral Thiele.

No noteworthy reports have been received from the submarines in the Arctic Ocean.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

Mine operation "Duesseldorf" (experimental barrage of rack mines type A in the Skagerrak) is being carried out by submarine U "119".

Mine-detonating vessels serving as escorts swept l ground mine off Korsoer. Another mine was swept by a Danish torpedo boat along the Nyborg ferry route.

Group North points out to the Commanding Admiral, Defenses, Baltic Sea and Naval Station, Baltic that increased watchfulness is necessary due to the facts that the enemy is dropping so few mines in the area of the Commanding Admiral, Defenses, Baltic Sea, particularly in the Sound, and that an enemy directive has become known concerning the escape of Russian submarines from the Baltic Sea. (See Telegram 1712.)

In the area of the Commander, Mine Sweepers, Baltic Sea, mine operations "Seehund I" and "Seeigel XXI" were broken off because of bad weather which also prevented mine-sweeping operations.

Mine sweeper M "16" ran aground in the vicinity of Porkkala. One drifter of the coastal patrol flotilla was hit by a mine north of Aegna, probably in the "Nashorn XII" minefield, and sank after being towed into Reval.

Transports are proceeding according to plan.

The Commander, Mine Sweepers, Baltic Sea reports that the convoy situation is extremely critical due to the shortage of escort vessels. Only if the order requiring compulsory escort is revoked, can the congestion of ships in Riga and Libau be relieved. The risk of proceeding unescorted as suggested is considerably reduced as long as, on calm days, vessels of the 31st Mine Sweeper Flotilla occupy positions along route "Braun". (See Telegram 2020.)

In accordance with the suggestion of the Commanding Admiral, Baltic Countries, the Naval Staff Operations Division has proposed to the Air Force Operations Staff that one bomber squadron be supplied for the Gulf of Finland. Due to the shortage of planes, the Air Force is

unable to comply with this suggestion. It intends to carry out the bombing missions in that area as they come up, weather and ground conditions permitting.

The Naval Staff is notifying Group North and the Commanding Admiral, Baltic Countries accordingly.

V. Submarine Warfare

1. Enemy Situation:

According to intelligence reports from Spain, a convoy with troops and materiel is expected to arrive in Gibraltar between 5 and 8 Aug. This is apparently the convoy from the U.S. en route to Alexandria which has already been announced. (See War Diary 28 Jul.)

Reports on submarine attacks in the Trinidad area and in the Florida Strait were intercepted.

2. Own Situation:

At 0950, submarine U "552" established contact with a convoy in quadrant BC 5955. All submarines of the former groups "Wolf" and "Pirat" have received orders to attack that convoy. Three more boats made temporary contact with the convoy in the course of the day. Submarine U "552" reports that she has torpedoed 2 steamers totalling 16,000 GRT. The operation is being continued.

Two submarines stationed in the Reykjavik area are being notified that convoy PQ 18 will probably depart from Hvalsund during the first week of August. Attempts should be made to intercept the convoy in quadrant AE 53-59.

Submarine "Kirschbluete" has reported her position and is expected to reach the center of quadrant BF 4790 on 3 Aug. The boat is bound for Lorient.

No successes have been reported by the submarines off the American East Coast.

In the West Indies, submarine U "160" is at the moment in contact with a convoy of 6 to 8 large steamers in quadrant EE 8772. Anti-aircraft fire is forcing the submarine to withdraw. She reports having sunk the steamer TREMINNARD (4,694 GRT) and taken aboard the captain.

Submarine U "509" was damaged by aircraft bombs in quadrant DM 1732 and withdrew for repairs.

Strong defense action prevented submarine U "134" from firing at a convoy of 6 steamers in quadrant DM 6439.

Increased tanker traffic has been observed between Trinidad and South American harbors.

Submarine U "565" sank another auxiliary sailing vessel in the Mediterranean.

For further details see supplement to the submarine situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

During the day, Bridgeport, York, Lincoln, and other localities were bombed with observed success. On the night of 2 Aug. our planes raided Bradford.

One FW 200 raided and obviously damaged the radio station Hoefn on Iceland.

Bad weather (thunderstorm) limited reconnaissance operations over the sea area around the British Isles.

2. Mediterranean Theater:

Our planes raided Malta.

3. Eastern Front:

Photographic reconnaissance of the Volga river located 77 freight barges, 17 motor barges, 8 paddle tugs, and small vessels in Kuibyshev. More than 60 cargo vessels were counted between Kuibyshev and Marks.

No further reports have been received.

VII. Warfare in the Mediterranean and in the Black Sea

1. Enemy Situation, Mediterranean:

Nothing to report.

2. Own Situation, Mediterranean:

During the night of 31 Jul., bombs were dropped on the motor ship MONVISO in Navarino. The raid was ineffective. During that night, as well as on the night of 1 Aug., enemy planes raided Tobruk. The tug MAX BEHRENDT was again damaged. The Italian tug ALATO suffered heavy damage. As a result of enemy raids on Bardia on the night of 1 Aug., the motor mine sweeper R "9" and the tank landing vessels F "347" and "356" burned up and sank. The motor mine sweeper R "11" was badly damaged and had to be brought ashore. Casualties were light.

The enemy's superiority in the air is really making itself felt.

3. Transport of Supplies to North Africa:

The steamer ISTRIA entered Tripoli on 1 Aug. On the evening of 2 Aug., enemy planes attacked the convoy of the steamer TERGESTEA proceeding from Patras to Benghazi. Details are still lacking. Otherwise, the transport of supplies proceeded without incidents.

The German Commanding Officer, Supply and Transports, Italy and Italian authorities have agreed on the following basic program for the

transport of supplies:

Supplies to be brought from the Italian area:

- a. To Tobruk 2 large vessels per week, with 16,000 tons of German and 16,000 tons of Italian supplies per month.
- b. To Benghazi 4 ships every week, with 16,000 tons of German cargo per month.
- c. Of the above (paragraph b.), 8,000 tons are to be shipped every month to the Tobruk-Marsa Matruh area by coastal vessels.

4. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

Radio intelligence reports only isolated movements of naval forces on 1 and 2 Aug. In addition to 8 submarines, 1 flotilla leader and 1 destroyer were observed at sea.

On 30 Jul. and on the morning of 31 Jul., 2 gunboats shelled Kagalnik on the Don delta. On 31 Jul., in the evening, a PT boat passed through the Kerch Strait.

Own Situation:

No success was scored when our artillery fired at the enemy PT boat in the Kerch Strait.

On the forenoon of l Aug., the 1st Landing Flotilla, composed of 10 landing barges, arrived at Sevastopol. Three of the barges will remain there, while 7 transferred at noon to Balaklava. From Balaklava, 5 of these barges are to break through the Kerch Strait during the night of 2 Aug. The 1st Landing Flotilla will cover the operation in southerly direction.

Three Italian subchasers arrived in Yalta on 31 Jul.

Convoy operations in the Black Sea are proceeding according to plan. Transport of supplies in the Sea of Azov will be feasible as soon as the channels have been searched as far as Azov.

VIII. Situation East Asia

On 1 Aug., Sydney broadcast another submarine warning for an area 50 miles south of that harbor.

IX. Army Situation

1. Russian Front:

Army Group A:

Despite increased resistance, our offensive in the Kushchevskaya area continued to gain ground. Following the enemy retreating in a southeasterly direction, our infantry and panzer divisions reached the line Yekaterinovskaya-Dmitriyevskaya-Pregradnoye east of Kushchevka. East and northeast of Salsk the mopping-up of the Yegorlyk sector continues.

Army Group B:

Kotelnikovo has been captured. North and northwest of Kalach, the enemy is carrying out heavy armored attacks on a wide front. For the major part, these attacks have been repulsed. In the Don river bend southeast of Kletskaya, our planes counterattacked the enemy tanks. Sixty tanks were destroyed. The Italian mobile division repelled enemy attacks in the area south of Serafimovich. The enemy still holds isolated positions west of the Don. Enemy attacks near Boguchar, Svoboda, and south of Yelets were repulsed.

Central Army Group:

Heavy enemy attacks in the Rzhev area continue with undiminished intensity. Enemy attacks are likewise reported from the area north and south of Byeloi.

Northern Army Group:

Our offensive on the Volkhov front is making good progress. South of Leningrad, the enemy succeeded in penetrating our lines somewhat.

2. Finnish Front:

Assault detachments and reconnaissance patrols were active on the southeastern front.

3. North Africa:

Reconnaissance and artillery activity.

Items of Political Importance

In connection with the <u>question of the Second Front in Europe</u>, diplomatic circles abroad interpret Franco's and Suner's intention to take a few weeks' vacation as a sign that the Spanish government, too, discounts the possibility of a European invasion in the very near future.

The Observer is of the opinion that very heavy air raids on Germany, such as have frequently been demanded, can only serve as a preparation but not as a substitute for a Second Front.

For press opinions from Great Britain and America see Political Review No. 179, Paragraph 1.

India:

The Executive Committee of the Congress Party is reported to have asked Churchill for assurance that the Cripps proposals will not be withdrawn after the war. Gandhi is expected to meet with the Moslem leader Jinnah. In a statement in the Harijan, Gandhi said that a free India could play a decisive part in the war on the side of the Allies.

Canada:

Canada will maintain her diplomatic relations with France although, according to the statement of her Prime Minister, Canada can have no respect for Laval as a mouthpiece of Germany.

Turkey:

A newspaper article by Representative Attay, dealing with the famine in Europe during the coming winter, expresses the view that the Allies are the ones who have the main power to decide whether there will be peace or war, but there are no indications among the Allies that hopes for peace which have been aroused by the German victories in Russia are justified.

Argentina:

The British press is trying to frighten Argentina with the specter of isolation. As an argument, the press points to a change in orientation of the foreign policy in Chile.

Japan:

Military circles in Chungking expect that Japanese hostilities against Russia will start during the second half of August.

China:

The U.S. representative has assured the government that military aid to China will be increased.

Conference on the Situation with the Chief, Naval Staff

In a Very Restricted Circle:

I. On 30 Jul., the Naval Staff, complying with a request of Group North (see War Diary 26 Jul.), asked the Armed Forces High Command, Operations Staff, for approval of the transfer of German coastal mine-laying boats and Italian submarine chasers from Lake Ladoga to the Gulf of Finland. For copy see 1/Skl I op 1467/42 Gkdos. Chefs. in War Diary, Part C, Vol. III. Surprisingly, the Armed Forces High Command, Operations Staff has denied the request, giving as a reason the fact that the Finnish Marshal considers a transfer of the German and Italian boats from Lake Ladoga undesirable.

It is possible that the Armed Forces High Command, Operations Staff wants to keep these vessels ready for use in our operation against Leningrad in September when the enemy may again use large vessels which could also be effectively attacked with mines.

II. Showing the submarine chart to indicate the mines laid in the Chesapeake Bay, the Chief, Naval Staff points out that the Portuguese steamer NYASSA carrying German passengers will leave Baltimore on 8 Aug. This fact is known to the Naval Staff, Operations Division, and it has already communicated to the Foreign Office those routes from Baltimore which are considered safe. While mentioning the steamer NYASSA, the Naval Staff, Operations Division will add a reminder that the Portuguese government, too, should be informed about these routes.

III. The Chief, Communications Division, Naval Staff reports on the installation of radar equipment in operational submarines and the assignment of enlisted personnel of the Communications Equipment Experimental Command to aid the work in the shipyards.

IV. The Chief, Quartermaster Division, Naval Staff reports that the Italian Navy has made another request for 25,000 tons of fuel oil. In the opinion of the Chief, Quartermaster Division, the Italian Navy has been receiving 50,000 to 60,000 tons from Rumania every month during the last few months according to schedule. Our situation does not permit any further allocations from the Navy's quota. For this reason, the inquiry of the Armed Forces High Command in connection with this Italian request has been answered in the negative.

The Chief, Naval Staff agrees.

From 3 to 6 Aug., the Chief, Naval Staff will visit France in order to inspect the defenses against enemy landings in that country. The Deputy to the Chief of Operations Branch will participate in the inspection tour as representative of the Operations Division.

Special Items:

I. Basing its considerations on the experience gained in the war, as well as on the conclusions drawn from the demonstration of landing vessels to a Japanese commission, the Naval Staff, Operations Division has reexamined the plans and objectives of the Navy in this field.

The results have been transmitted to the Naval Staff, Quartermaster Division, with the request to determine and make known the respective competencies of Army and Navy according to the problems posed, and to develop in cooperation with the Army, the plans and further measures in line with these propositions.

For copy see 1/Skl I opa 18329/42 Gkdos. in War Diary, Part B, Vol. V.

II. On 20 Jul., Group North submitted its final report on operation "Roesselsprung".

The Naval Staff agrees in general with the conclusions laid down in this report and remarks as follows:

- l. It has been established that the convoy was broken up before our naval forces appeared on the scene. The reasons are assumed to be the following:
- a. The British do not send their heavy vessels into areas controlled by our bomber forces as long as attack conditions for the latter are favorable. For this reason they had to leave the tactical protection of the convoy to the cruiser group. In view of the concentrated air attack, the cruisers were unable to give the ships the amount of anti-aircraft protection necessary to hold the convoy together. Poor convoy discipline on the part of the numerous American steamers might likewise have been a factor. Thus, under the blows of the attack by German planes, the convoy disintegrated more and more. Since the fuel reserves of the cruisers were probably not adequate for prolonged escort, and since after the disintegration of the convoy the usefulness of the cruisers was outweighed by the danger from submarines and planes, the cruisers soon left the convoy.

The destroyers alone, which according to prisoners' statements, refueled during their voyage from the tankers in the convoy, did not suffice to protect the dispersed ships which thus became the prey of the submarines and the rirplanes.

- b. Inadequate fuel was probably another factor in determining the action of the heavy ships. It is unlikely that these ships were able to refuel at sea. Thus, since they had to return home, these ships had reached the limit of their range on 5 Jul.
- Russian harbors in the Arctic Ocean will at all times be as far away as possible from the mainland coast, following the ice boundary. The fact that during the coming months the ice boundary will shift farther to the north will reduce the prospect of successful attacks by our Air Force. On the other hand, the route which the enemy ships will have to follow will be considerably longer, so that the endurance of the escort forces will have to be even greater than before. If the enemy succeeds in increasing the speed of the convoys, the higher average speed, which is more economical for the naval forces, will partly compensate for the greater distance. Nevertheless, the enemy will be compelled to undertake measures to arrange either for relieving the escort forces or for refueling them. One such possibility is offered by the circumstance that the coast of Spitsbergen, with its anchorages, is ice-free.

The 4 destroyers sighted by our air reconnaissance in the area 120 miles southwest of Spitsbergen on 22 Jul. 1942 permit the assumption that they were sent to take over convoys coming from the east.

- 3. In any case, we have to count with the fact that, should any further convoys pass by in August
- a. They will be within the range of our bomber forces for only a short distance
- b. They will not sperse again, contrary to all rules, before they are in safety

It may therefore be assumed that the chances for our submarines and air forces will no longer be as good as they were during the attack on convoy PQ 17. Thus, the significance of the naval forces in destroying enemy supply vessels remains unaffected.

4. From early September on, due to the longer hours of darkness, conditions for submarine operations will again improve for a
short period, until stormy weather and ice will make submarine attacks
too difficult and, in the end, impossible.

The naval representatives at the Fuehrer Headquarters, at the Armed Forces High Command, Operations Staff, at the Air Force Operations Staff, and at the General Staff, Army High Command have been advised of the report of Group North and of the Naval Staff's reaction.

See 1/Skl I op 1396/42 Gkdos. Chefs. in Files "Roesselsprung". Marginal note: (Not there).

On 2 Aug., Group North, referring to Paragraph 4 of the Naval Staff's reply, called attention to its suggestion of 7 Jul. 1942, in the situation report about the Rybachi Peninsula operation, dealing with the elimination of Murmansk and of the entire Kola area by attacking Kandalaksha.

Since the intentions of the Armed Forces High Command, Operations Staff in this direction have already been made known, no action is to be taken.

Situation 3 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

According to intelligence reports from Spanish and French sources, it is feared that planes flying from Freetown will raid Port Etienne. Defense measures have been ordered.

Otherwise, there is nothing to report.

2. Own Situation:

Nothing to report.

II. Situation West Area

1. Enemy Situation:

The Admiralty reports about an allegedly successful engagement which occurred between a formation of British light coastal patrol vessels and German vessels directly off Cherbourg on the night of 1 Aug. The report states that 2 German PT boats were sunk and other German vessels damaged during the engagement. Two German torpedo boats are reported to have been hit. No damage and only 2 minor casualties were suffered by the British forces!

The engagement in question was the one involving the 8th Mine Sweeper Flotilla (see War Diary 2 Aug.) which had reported 2 enemy vessels as probably destroyed, while sustaining only light casualties itself.

This is another example of the unreliability of observations during night engagements.

Air reconnaissance found ship movements and the number of ships anchored along the southern coast as usual.

Radio intelligence intercepted a message to an enemy command post reporting the position of a German force in the South Foreland area. It is assumed that mines have been laid between Boulogne and Le Touquet. An unidentified vessel reported sighting ship wreckage in the area of Lowestoft.

2. Own Situation:

Atlantic Coast:

A mine-sweeping plane removed one mine off Lorient.

The Naval Staff recognizes the demand of the Commanding Admiral, Sub-marines for reinforcement of the forces of the Commanding Admiral, Defenses, West in the Bay of Biscay by 1 flotilla of new mine sweepers.

For the time being, the general shortage of vessels makes it impossible to realize this demand by drawing on forces of Group North. For this reason, the Naval Staff requests Group West to investigate the possibilities of meeting these just demands of the Commanding Admiral, Submarines by a shift in the forces available within the area of the Commanding Admiral, Defenses, West. (Replacements of auxiliary mine sweepers on the western coast of France by new mine sweepers operating in the Channel.)

For the corresponding directive to Group West and to the Commanding Admiral, Defenses, West, with copy to the Commanding Admiral, Submarines, see Telegram 1801.

Channel Coast:

On the night of 2 Aug., the 3rd Torpedo Boat Flotilla transferred to St. Malo.

The 4th Motor Mine Sweeper Flotilla had an engagement with British PT boats off Cape Gris Nez at 0152 and arrived with all its boats in Boulogne at 0230. Details are not yet known.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

There was little air activity. Air reconnaissance reports convoy movements along the eastern coast as usual.

Own Situation:

During the night of 2 Aug., mine operation "Alba" was carried on as scheduled by laying the mine field 104. On that occasion, at 2345, the 8th Motor Mine Sweeper Flotilla sighted 4 enemy PT boats in quadrant AN 8516. The enemy boats avoided battle (see Telegram 1100).

On that night, just as during the night before, patrol positions along the Dutch coast were held by stronger forces.

Mine-detonating vessels have swept 3 ground mines. Convoy and channel-sweeping operations in the area of the Commanding Admiral, Defenses, North are proceeding according to plan with no incidents to report.

At 1355, 20 Spitfires, carried out a low-level attack on Flushing. Naval anti-aircraft shot down 2 planes.

In the afternoon, enemy reconnaissance planes were reported over the Cerman Bight. Our fighters failed to score any success.

2. Norway, Arctic Ocean:

Enemy Situation:

The Military Attache in Stockholm confirms the intelligence report stating that the main base of the Norwegian troops in Scotland is in the Wick area. He adds that the increased activity in northern Scotland and on Iceland presumably points to preparations for an offensive against northern Norway.

According to an intelligence report from Iceland of 25 Jul., an agent observed a convoy of 18 steamers enter Hval Fjord on 18 Jul. Several of the ships carried planes and tanks as deck cargo. Further ships are said to have arrived between 18 and 25 Jul. (This is a confirmation of other reports received about the assembly of convoy PQ 18.)

Air reconnaissance over the North Sea failed to yield results.

Own Situation:

The 3rd row of the net barrage in Aasen Fjord has been laid. Enemy reconnaissance planes flew over the area of Trondheim, evidently on a routine inspection of the berths in that area.

Convoy operations in the area of the Commanding Admiral, Norway are proceeding as scheduled.

Group North has ordered the immediate release of the 5th Mine Sweeper Flotilla to enter the shipyards in Holland. For the Group's further directive concerning the distribution of naval forces in the

Norwegian area, see Telegram 1259.

Submarine U "601" gave the following brief report on the operation off the Novaya Zemlya coast: between 21 and 24 Jul. no ship movements were observed off the Matochkin Strait. For copy see 1/Skl 18988/42 Gkdos. in War Diary, Part B, Vol. IV.

Special Items:

On 27 Jul., the Naval Staff, Hydrographic and Meteorological Division issued its directions for operations orders and meteorological projects in 1942-1943. To ensure the meteorological service in the north area, the Chief of the Meteorological Branch of the Naval Staff has planned and prepared the following 4 operations for the period 1942-1943:

- (1). "Holzauge"
- (2). "Knospe II"
- (3). "Hessen"
- (4). "Zenith"

By these operations, a network of weather stations is to be erected in the north area, which would ensure better weather reporting than thus far available.

For copy of the corresponding instruction of the Naval Staff, Hydrographic and Meteorological Division see 1/Skl 18404/42 Gkdos. in War Diary, Part C, Vol. II.

To this, Group North reports that operation "Holzauge" will definitely be executed. The date of departure from northern Norway depends on the convoy situation and air reconnaissance in the Arctic Ocean.

Decision about operation "Knospe II" cannot be made until just before its start, since nobody can as yet foresee in what way the situation in the Arctic Ocean will develop.

Concerning the operations "Hessen" and "Zenith", Group North requests that, both for operational reasons and in view of the general enemy situation, no further weather ships be left at sea for use as relay stations. If the enemy can locate our vessels, he will undertake countermeasures which may interfere with our decisions. On the whole, the weather service of our Air Force and of the submarines at sea has so far proved adequate. According to previous experience with "Knospe", communications with "Holzauge" appear ensured even without relay stations, except during periods of considerable magnetic disturbances. (See Telegram 1042.)

The Naval Staff, Operations Division will state its position later.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

No incidents have been reported in connection with convoy and patrol operations in the area of the Commanding Admiral, Defenses, Baltic Sea.

Group North intends to dispense with the mine-laying operations "Sevilla grosse Ausfuehrung", "Sevilla", and "Skarskhorn" in the Baltic Sea entrances which were planned in connection with operation "Barbarossa". Instead, it intends to place the mine carrier OTTER, which originally was to be used in these operations, together with her load of mines, immediately at the disposal of the Commander, Mine Sweepers, Baltic Sea, in order to provide him with the necessary reserves. Group North asks the Naval Staff, Operations Division for approval at its earliest convenience.

Group North has already returned the mines designed for use in the mine-laying operations "Grundsee Ost und West", "Toledo", "Granada grosse Ausfuehrung", "Granada", and "Grauer Ost" to the Mining and Barrage Inspectorate, and reports that they are now available for other purposes. (See Telegram 2329.)

A decision by the Naval Staff will follow.

Mine Operation "Seeigel XXII" in the area of the Commander, Mine Sweepers, Baltic Sea has been executed according to plan. Operation "Seehund I" was broken off on account of bad weather. Anti-submarine patrol, mine-sweeping, and convoy operations are proceeding as scheduled with no incidents to report.

A Finnish report states that it is assumed that a Russian motor torpedo boat was destroyed in the mine field "Sauna I". On the afternoon of 3 Aug., Russian vessels were observed sweeping mines in that field.

In accordance with the request of the Commander, Mine Sweepers, Baltic Sea (see War Diary 2 Aug.), Group North has ordered cancellation of compulsory escort between point "Braun 60" and Memel as soon as the 31st Mine Sweeper Flotilla has taken up its positions. Ships are again to be advised to proceed as close to the coast as possible.

V. Submarine Warfare

1. Enemy Situation:

According to an intelligence report from Sweden, a large convoy is being assembled in the U.S.A., primarily for the transport of troops to Iceland and the northern part of the British Isles. Weather permitting, the departure is scheduled to take place on 4 or 5 Aug.

At 2225, a plane reported flying over a submerging submarine southwest of Reykjanes. At 1305 a message was intercepted reporting a depth charge attack on a submarine some 160 miles northwest of Bilbao in the Bay of Biscay. It is assumed that the submarine was hit. At 1755, a plane reported sighting a submarine some 200 miles south of La Rochelle. In the South Atlantic, the British steamer TURKESTAN reported having sighted a periscope 600 miles southwest of Freetown.

The U.S. steamer HARRY LUCKENBACK reported sighting a periscope some 400 miles southeast of Monrovia. It is not likely that the submarines were ours.

Submarine attacks were reported by the Norwegian steamer TOPDALSFJORD (4,271 GRT) 130 miles east of Cape Race, and by the Norwegian steamer BRIMANGER (4,883 GRT) 180 miles southeast of Cape Race. Soon thereafter, the report about the attack on the BRIMANGER was cancelled. In addition, numerous submarine sighting signals were intercepted along the American East Coast. A radio report stated that so-called Bangors, i.e. vessels specially equipped for anti-submarine defense, are protecting the estuary of the St. Lawrence River.

In the West Indies, 2 messages were intercepted reporting submarine attacks 360 miles east of Trinidad.

2. Own Situation:

In the course of her operation against the convoy in quadrant BC, submarine U "552" sank another 7,000 GRT steamer. The operation was then broken off. Submarine U "607" sank an 8,000 GRT steamer which had stopped in quadrant BC 5746. It may be that this steamer is identical with one of the steamers reported torpedoed by submarine U "552" on 2 Aug.

No successes have been reported from the American East Coast.

East of Trinidad, submarine U "108" sank a 10,000 GRT tanker.

No sinkings have been reported by submarines operating in the South Atlantic and in the Mediterranean.

Further reports, particularly those about a directive of the Commanding Admiral, Submarines concerning the sending of direction-finder signals by submarines and about captured American instructions for sailing from Colon through the Windward Passage in northerly direction, are contained in the Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

Special Items:

The directive of the Second Admiral, Submarines concerning assignment of specialists of the II Branch (Laufbahn II) to shipyard work on submarines sets forth the details of this assignment. For copy of the corresponding telegram see 1/Skl 18970/42 Gkdos. in War Diary, Part B, Vol. V.

VI. Aerial Warfare

1. British Isles and Vicinity:

During the day, fighter-bombers raided Middlesbrough, Scarborough, Leeds, Bradford, and other localities. Results were satisfactory. On the night of 3 Aug., 12 Ju 88's were sent into action against ships off the southern coast of England. Ten enemy planes penetrated into the area of the Baltic Sea entrances in the western part of the Baltic Sea, presumably for the purpose of laying mines. No bombs were dropped and no planes were shot down.

2. Mediterranean Theater:

During the day, the following operations were executed: flank protection for the Italian mine operations off Marsa Matruh, 'spot-check reconnaissance between Port Said and Haifa, and convoy protection by strong forces. A fighter assault on Malta, with several bombers participating, lured out enemy fighters, three of which were shot down.

3. Eastern Front:

Nine planes were shot down on Army fronts. During attacks on ships in the Gulf of Finland, 2 motor mine sweepers were probably sunk, and a third damaged.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

On 2 Aug., the expected convoy arrived in Gibraltar. It came from the west, probably from England, and numbered 5 steamers.

Two more submarines have been located in Valletta.

Submarines were sighted off Sebenico, Otranto, and Benghazi.

Ship traffic in the Eastern Mediterranean was light. Eight steamers were observed in Beirut, and I submarine was sighted outside the harbor.

2. Own Situation, Mediterranean:

On the night of 2 Aug., enemy planes launched another heavy attack on Bardia. Twelve bombs were dropped on the city and harbor area. Since this port lacks anti-aircraft artillery, its further use can only be justified if it is provided with stronger anti-aircraft defenses.

The Italians intend to have 2 destroyers lay the minefield off Marsa Matruh on 4 Aug. in the morning.

3. Transport of Supplies to North Africa:

In the afternoon, an enemy submarine sank the motor ship MONVISO (5,500 GRT) 16 miles off Benghazi. The steamer ANKARA left Taranto for Tobruk. The motor ship BIXIO and the SESTRIERE departed from Brindisi bound for Benghazi, escorted by 3 destroyers and 2 torpedo boats. On the evening of 2 Aug., the steamer ALBACHAVIA arrived in Tobruk.

Otherwise, ships are proceeding as scheduled. 2,251 tons were unloaded in Tobruk on 1 Aug., 860 tons on 2 Aug.

4. Area Naval Group South:

Aegean Sea:

No incidents have occurred at sea. The Staff Section of the Naval Construction Division refused on 27 Jul. to send the 300 German shipyard workers to the shipyard in Piraeus, which had been promised some time ago. Group South reports that the proposal of the Naval High Command to resort to Russian workers from Nikolayev cannot be taken into consideration since the number of available workers is insufficient even to cover the needs of the Nikolayev shipyard. The Group has ordered Admiral Massmann to report on the matter to the Commander in Chief, Navy personally.

At the conference on the situation on 28 Jul., the Chief, Naval Construction Division, reported that in Salamis the problem of manpower shortage could be solved by extending armed forces rations to Greek workers. The Commander in Chief, Navy has passed a decision to this effect.

Black Sea:

Enemy Situation:

Long-range air reconnaissance reports that on the afternoon of 2 Aug., a force of 1 cruiser, 1 destroyer, and 4 escort vessels, proceeding at high speed on a westerly course, was observed 20 miles west-northwest of Tuapse. According to continuous reports from shadowing planes, the force was steering a northwesterly to northerly course, and at 1945 it was 30 miles south of Anapa. By evaluation of photographs the larger vessels have been tentatively identified as a heavy cruiser of the KIROV class and the flotilla leader KHARKOV. From 2245 on, our torpedo planes followed the force whose position at 2351 was reported as 10 miles southwest of Cape Opuk on a 20° course. After midnight, Italian submarine chasers attacked the force some 20 miles south of Feodosiya. According to further sighting reports, at 0455 the 2 vessels were located with 7 escort vessels on a 110° course south-southwest of Anapa and at 0630 with 15 PT boats on a 130° course southwest of Novorossisk. Since, in addition to the force which was sighted, the Main Naval Direction Finding Station at Constanta located the cruiser KRASNY KRIM in the same area at the same time, it is not impossible that several groups participated in the thrust towards the Crimean coast. Group South has requested the Air Commander, South to check on this possibility.

Own Situation:

On 2 Aug. at 1800 the 3rd Motor Mine Sweeper Flotilla departed from Ivanbaba with 8 landing barges, sailing close to the coast in easterly direction. At 2300 the flotilla passed Cape Takil. As planned, the 1st PT Boat Flotilla and a group of Italian subchasers carried out protective measures south of the Kerch Strait, and the 1st PT Boat Flotilla laid mines on the way and then took up patrol positions.

On 3 Aug. at 0615 the Admiral, Black Sea reported to Group South that 6 landing barges broke through the Kerch Strait according to plan, while 1 motor mine sweeper together with 2 landing barges, for reasons unknown, turned back at Yenikale, heading for Kerch. One of the landing barges was hit, but is still afloat. The Chief of Staff,

Group South transmitted these facts to the Naval Staff by telephone at 1200.

Of the three Italian submarine chasers protecting the break-through, subchaser MAS "573" stopped in her patrol position 5 miles south of Feodosiya as a result of engine failure. At 2400, she sighted an enemy force of 1 three-funnel cruiser and 1 flotilla leader and launched 2 torpedoes against the cruiser at a distance of barely 100 m. One of the torpedoes hit the target. At 0130, the Italian subchaser MAS "568", which had been notified in the meantime, attacked the cruiser with 2 torpedoes, hitting her with both. The Italians are certain that the burning ship sank. The 2 subchasers were then pursued by the flotilla leader but reached the base undamaged. During the subsequent search on the morning of 3 Aug., subchaser MAS "569" found wreckage and equipment at the place where the torpedo attack had occurred.

It is not yet quite clear what vessel was attacked and probably sunk, since the force located on the morning of 3 Aug. was located later in its original strength. (See Enemy Situation.)

During the same night, around midnight, Ivanbaba was under continuous air attack and a simultaneous attack from the sea. The attack from the sea may be taken as another proof that other enemy naval forces were operating off the Crimean coast.

Convoy operations are proceeding according to plan.

During July 1942, 49,500 tons of supplies were transported by sea from Rumania to the Ukraine and 9,000 tons from the Ukraine to Rumania. Since 20 Apr., a total of 130,000 tons of supplies were brought into the Ukraine by sea.

Special Items:

- (1) On 22 Jul., Group South suggested that a liaison officer to the Admiral, Libya be appointed, in order to insure liaison between the Group and the Admiral, Aegean Sea, on one hand, and the Admiral, Libya on the other, in all matters concerning the transport of supplies via the Aegean Sea. The German Naval Command, Italy has expressed its opposition to this measure. Group South restated its position in a communication to the Naval Staff Quartermaster Division, Plans and Schedules Branch on 3 Aug. The Naval Staff Operations Division was notified accordingly via Telegram 1345.
- (2) Group South has submitted to the Naval Construction Division, Shippard Branch a definite construction program, set up in cooperation with the Nikolayev shippard, "so that we can at last progress beyond the planning stage". Speedy approval was requested. Naval Staff Operations Division is notified.

The plan calls for construction of 3 submarine chasers, 3 war transports, and 2 tankers of the HERCULANUM type, for which materials are available. In addition, slipways are available for 3 more subchasers and 2 more war transports. There is also enough space for the assembly of 6 landing barges. This requires 1200 to 1400 more workers until April. (See Telegram 1935.)

(3) Results of an investigation by the Naval Staff Communications and Intelligence Division of the possibilities of transporting

Italian subchasers from the Black Sea into the Caspian Sea overland north of the Caucasus (see War Diary 18 Jul.) did not produce satisfactory results. For this reason, Group South has been instructed to put local stations in charge of further investigations in this direction and to report their findings to the Naval Staff. The latter will try to obtain further facts from the Army General Staff, Intelligence Division, East.

VIII. Situation East Asia

Nothing to report.

IX. Army Situation

1. Russian Front:

Army Group A:

Despite strong enemy resistance, our troops succeeded in carrying their attack beyond the Bolshaya Ternovka river. After a surprisingly rapid thrust, SS troops established a bridgehead across the Kuban. Using their last fuel reserves, detachments of the 3rd Panzer Division seized Voroshilovsk.

Army Group B:

The enemy facing our southern wing is falling back in easterly direction. New fighting has broken out northwest of Kalach. Enemy attacks south of Serafimovich and west of Kazanskaya were repulsed. In the vicinity and north of Voronezh there were reconnaissance and artillery activity.

Central Army Group:

East of Rzhev, enemy artillery is attacking continuously, but so far without success. The fact that more enemy forces are moving into position means continued attacks at this point. North and northwest of Rzhev, heavy enemy attacks have until now likewise failed to reach their objective. Attacks continue near Byeloi.

Northern Army Group:

Enemy attacks on the Volkhov front south of Yamno, north-east of Soltsy, and south of Leningrad were repulsed.

2. Finnish Front:

Only local fighting is reported. Our assault troop operations in the Kandalaksha sector encountered a watchful enemy.

3. North Africa:

Reconnaissance and artillery activity as usual. For distribution of enemy forces see daily situation report.

Items of Political Importance

In connection with the question of the Second Front in Europe, the rumors about Churchill's flight to Moscow, spread by various foreign sources, have not been confirmed.

Other rumors report of a meeting between Chiang Kai-shek and Stalin in Moscow, their trip to London, and even of their further trip together with Churchill to Washington.

Usually, such rumors arise when the enemy is at a loss to know what to do.

Admiral Leahy and General Marshall are said to have declared themselves in favor of the Second Front. In Washington, the question of who is going to be the Commander in Chief of the Allied Armed Forces is still a prime concern. Among other possibilities, a joint command by a group of British and American generals is mentioned.

U.S.A.:

The special military tribunal has sentenced to death the 8 German agents who had been arrested.

According to an intelligence report from the U.S. Embassy in London, leading Washington circles are viewing the future very optimistically despite the heavy setbacks during the summer of 1942 which had been expected. Germany is said to be now in the same situation as in 1917, and it will take at least another 18 months of concentrated air attacks, along with land and sea operations, to defeat her. Some of her allies, however, may be expected to become prematurely warweary and inclined to make separate peace.

It is expected that the U.S.A. will have at its disposal a well-equipped army of 7,800,000 men by 1 Mar. 1943. U.S. planes will be masters of the sky, and for every German tank there will be 6 American ones. New fronts will tie up German forces in many places till the spring of 1943 will mark the beginning of the "real American war". Total victory is not expected before 1944. The most interesting point in the plan to win total victory is the increase in ship construction: in 1942, 10,000,000 tons will be built and in 1943 20,000,000 tons, including the concrete ships which will be constructed in 45 days on a mass production basis. Plane production is said to have mounted from 2,400 in October 1941 to 4,600 in May 1942 and will reach 10,000 in December. The number of tanks which were produced at a rate of 850 per month in 1941 has now risen to 5,000 per month.

Special Items:

I. The Naval Staff directs Group North, with copy to the Fleet, to bring the LUETZOW back to her home base, as planned. Repairs can presumably start in the Navy shipyard of Wilhelmshaven on 1 Sep. Repairs in Oslo are out of the question. If the LUETZOW cannot enter the shipyard immediately after her return, she will be released for training purposes, as suggested by the Fleet Command.

- II. Upon request of the Fleet Command, Group North has authorized the transfer of the KOELN, together with the STEINBRINCK, to the Arctic area, beginning 6 Aug. When carrying out the transfer, the Fleet Command should see to it that a congestion of ships in Narvik be avoided. If necessary, the KOELN and 2 or 3 destroyers should be transferred to Harstad or to Tromsoe. Participation of the KOELN in operation "Eispalast" has been approved.
- 1II. On 1 Aug., the German Admiral at Tokyo reported that a Japanese naval officer revealed the following:
- 1. The German Foreign Minister recently suggested to Oshima that Japan launch an offensive against the sea provinces. The Japanese Navy is opposed, especially in view of the fact that a rapid and complete success is not at all certain at the present moment, and American bombers can very well be transferred there in great numbers. Japan will attack as soon as the time is ripe.
- 2. From 1944 on, the American war potential will make itself-felt to an ever greater extent in Japan. By that time Japan will have to be prepared. For this reason, she must in the meantime avoid any operations involving great risks. Presumably the attack on Ceylon, which might cost Japan a major part of her naval planes, will not take place.
- 3. An attack on Calcutta after the rain period is merely a question of ship tonnage. The operation has not yet been decided upon. The Army has been told that it would be desirable to make such an attack.
- 4. If "Hitler first" is the enemy's goal, then the goal of the Axis after Russia's collapse should be "Great Britain first". Beginning around the middle of August, the Japanese Navy is going to conduct an all-out submarine and cruiser war in the western part of the Indian Ocean and around South Africa. The Navy feels sure that it can sink as many as 400,000 tons a month. Such results plus 500,000 tons a month expected to be sunk by the Germans, would bring about Great Britain's collapse next spring, especially if Suez falls and the British Navy is forced out of the Mediterranean and the Red Sea.
 - 5. "Great Britain first" is important also because then the problems of China and India would be automatically solved and the Australian question would likewise be much easier to settle.
 - 6. Germany and Italy must be aware of the fact that, if such an eventuality arises, the Japanese Armed Forces can by no means be concerned with the conquest of the southern outlet of the Red Sea or the Persian Gulf.

A copy of the report has been transmitted to the Naval Representative at the Armed Forces High Command, Operations Staff.

Situation 4 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

Indian Ocean:

According to an intelligence report, large numbers of South African troops have been placed aboard the ships of the 2 convoys which are to leave Durban for Egypt on 4 Aug.

An SOS was intercepted from a British steamer about 540 miles northeast of Mauritius. Another steamer reported from the area southwest of Albany (Australia) that she was being fired upon. An antisubmarine warning has been issued for that area.

2. Own Situation:

Directions concerning war decorations for prize crews are being transmitted to the Attache in Tokyo via Telegram 1020.

A directive to furnish the TANNENFELS and the other blockade-runners with the same reference points for their return voyage to Europe as for their voyage to Japan is being transmitted to the Naval Attache in Tokyo via Telegram 2100.

Information about the arrival of the DOGGERBANK in Batavia on 1 Aug., as well as about the position according to international law of the South Orkney Islands, South Shetland Islands, the Sandwich Islands, and Graham Land is sent to all vessels in foreign waters via Radiogram 1700.

Information about the enemy situation via Radiograms 0538 and 1947.

II. Situation West Area

1. Enemy Situation:

Nothing noteworthy has been reported.

2. Own Situation:

Atlantic Coast:

Mine-detonating vessels have swept 3 ground mines off Lorient. A mine-sweeping plane removed 1 ground mine off La Pallice. A French fishing boat struck upon a ground mine east of Ile d'Oleron and sank. In spite of a British warning, French fishermen kept fishing in the entire unrestricted area in the Bay of Biscay.

Channel Coast:

At 0205, Army batteries near Le Touquet fired at ships located at sea, presumably PT boats.

A subsequent report about the engagement of the 8th Mine Sweeper Flotilla off Cherbourg on the night of 1 Aug. states that a direct

hit by a 10.5 cm gun resulted in the probable sinking of 1 motor gunboat, while 2 boats were set aflame and hits were observed on some other boats.

During the evening hours, numerous balloons coming from the sea drifted over the Calais-Dunkirk area. Incendiary canisters were attached to the balloons.

During the night of 3 Aug., a total of 18 PT boats were engaged in a torpedo attack against a convoy. Two steamers of 1,500 GRT each were sunk, 1 steamer of 2,000 GRT was probably sunk. Defense action by enemy destroyers was very lively and resulted in a number of torpedo misses which were due to the skillful maneuvering of the enemy vessels. Our forces suffered no losses. For brief reports from the 4th PT Boat Flotilla and the Commander of PT boats see Telegrams 1040, 2205, and 1120.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance found little convoy activity along the southeast coast.

Own Situation:

Mine-detonating vessels swept 5 mines along the convoy route north of Egmond-aan-Zee, Vlieland, and Terschelling.

In July, a total of 131 ground mines were swept in the area of the Commanding Admiral, Defenses, North. 33 air raids and 3 PT boat attacks were made against the naval forces of the Commanding Admiral, Defenses; North, which in turn, shot down 8 attacking planes and sank 4 attacking PT boats. One mine-detonating vessel, 2 steamers, and 2 small vessels were lost through enemy mines.

The Naval Attache in Copenhagen reports that after a short interruption (see War Diary 31 Jul.) Danish fishing vessels have resumed fishing in the North Sea in full force.

Convoys are proceeding according to plan. Unfavorable weather curbed mine-sweeping operations.

2. Norway, Arctic Ocean:

Enemy Situation:

On the afternoon of 3 Aug., and on the morning of 4 Aug., planes were active over the northern and western coasts of Norway. On 2 Aug., a surfaced submarine was sighted 8 miles west of Obrestad.

According to air reconnaissance reports, no ships are left in Hval Fjord and in the roadstead of Reykjavik. It has not been determined what has become of the ships reported assembled in Hval Fjord on 1 Aug. It is probable that convoy PQ 18 has gotten under way.

Own Situation:

No incidents have been reported from the area of the Command-ing Admiral, Norway.

On 3 Aug., the Air Commander, North (West) informed the Commanding Admiral, Norway that the present fuel situation requires a considerable reduction in hitherto regular reconnaissance operations, especially in the area between Norway and the coast of Scotland, the Orkney, Shetland, and Faeroe Islands, and in the central area of the North Sea. Daily reconnaissance will not be carried out, except if there are special indications of the presence of enemy ships. To this the Commanding Admiral, Norway properly remarks that only air reconnaissance can provide indications of enemy ship movements. He points to the growing danger of being taken unawares during the period of long nights, if air reconnaissance, especially the evening reconnaissance over the northern part of the North Sea, is no longer carried out. Group North points out that inadequate fuel allotments for the 5th Air Force also have a bad effect on other operations.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Radio intelligence located 10 submarines. In the entrance to the Kronstadt Bay, intensified ship traffic was observed from the coast.

2. Own Situation:

Convoy and patrol operations in the area of the Commanding Admiral, Defenses, Baltic Sea are proceeding according to plan. No incidents have been reported.

Five ground mines were swept in the Mecklenburg Bay, one was swept in the Kiel Bay.

Mine operations "Seehund 4" and "Seehund 5" in the area of the Commander, Mine Sweepers, Baltic Sea were executed during the night of 3 Aug. Antisubmarine patrol, convoy, and general patrol operations are proceeding without incidents.

The Naval Staff has notified Group North, with copies to the Commander, Mine Sweepers, Baltic Sea and to the Naval Liaison Staff, Finland, that the Marshal of Finland declared the transfer of German and Italian vessels from Lake Ladoga to the Gulf of Finland undesirable at the present moment. For the time being, therefore, no transfer should be ordered. When the time has come, a new request is to be submitted, provided the situation on Lake Ladoga remains unchanged.

V. Merchant Shipping

Brief Report No. 23/42 of the Naval Intelligence Division, Foreign Merchant Marine Branch deals with the amount of the whale oil obtained by Britain in 1941-1942; Spanish security measures in the port of Huelva; new regulations for the issuance of navicerts; increase in Turkey's ship tonnage by construction of 40 large auxiliary sailing vessels; reorganization of U.S. sea transport; transfer of Venezuelan tankers to U.S. ownership, etc.

VI. Submarine Warfare

1. Enemy Situation:

Lively reconnaissance activity of the 15th Air Group and planes from Iceland. In the morning and in the afternoon submarines were sighted in the area southwest of Reykjanes. Other submarines were reported sighted west of the Faeroe Islands. Decoding of a radio message shows belatedly that the auxiliary aircraft carrier ARCHER was ready for operations in Bermuda on 12 Jul. and was probably bound for the northeastern coast of the U.S. Radio intelligence intercepted a number of submarine sighting reports from that vicinity, as well as from the West Indies.

2. Own Situation:

Six submarines are outward bound from home bases and western France.

No reports have been received from submarines in the Arctic Ocean.

In the North Atlantic, submarine U "704" made contact with a south-westbound convoy in quadrant BC 2998 under very poor attack conditions. Since visibility did not improve, group "Steinbrick" was ordered to stop operations against this convoy. Two of the submarines departing from home bases are to proceed to the eastern coast of Newfoundland.

En route from Germany to her operational area, and at the same time on the first voyage of her captain, submarine U "176" sank in quadrant BD 1387 the unescorted steamer RICHMOND CASTLE (7,798 GRT) which was proceeding at high speed in the direction of England.

In the West Indies, submarine U "160" sank the tanker HAVSTEN (6,161 GRT) in quadrant EE 8915 and took aboard the captain and the radio operator. Submarine U "166" sank the steamer EMPIRE ARNOLD (7,049 GRT) in quadrant EF 77. The steamer belonged to a dispersed convoy and was carrying tanks and planes for Alexandria. The captain was taken aboard.

The submarines operating in the South Atlantic and in the Mediterranean did not report any successes.

For further reports, particularly concerning the refueling of submarines in the western Atlantic, see Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

Special Items:

(1) In accordance with his report to the Chief, Naval Staff (see War Diary 3 Aug.), the Chief, Communications Division, Naval Staff has issued a directive to the Commanding Admiral, Submarines and Group West (copies to the Second Admiral, Submarines and to the Communications Equipment Experimental Command), concerning the installation of radar equipment with emergency antennas on those submarines in the shipyards of western France and at home which become ready for operations during the month of August. Regular antennas will be installed on submarines which become ready in September.

Jamming transmitters on board submarines are both unsuitable and dangerous. They prevent only range-finding but not direction-finding by planes. On the other hand, the use of planes of the 3rd Air Force equipped with jamming transmitters over the approach routes is considered very valuable. Group West is requested to take further action. It is planned to set up a jamming station on the Ile de Groix, but it will be effective only as far as 40 miles from the shore. The Communications Equipment Experimental Command is preparing a stronger jamming transmitter whose range, however, will still be limited. Even a large number of jamming transmitters cannot replace fighter planes.

(2) The report of the Naval Staff, Submarine Division with regard to increasing the number of submarines in the operations zones (see War Diary 28 Feb.) has brought about a statement by the Naval Construction Division which partly contradicts the opinion of the Submarine Division and also contains an answer to its query concerning the number of workers needed for each submarine repair. For copy see 1/Skl 18922/42 Gkdos. in War Diary, Part C, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

6 steamers totalling 20,000 GRT were reported damaged in an attack on a convoy on the evening of 3 Aug. off Start Point. The number and type of ships could not be established due to heavy haze. A large patrol vessel was damaged near Beachy Head during a fighter-bomber raid on the afternoon of 4 Aug. Brighton was raided, with well-placed hits in residential quarters. During the night of 4 Aug., 26 German planes raided Swansea. 30 enemy planes flew over the Reich in the Dortmund-Krefeld area. 80 to 90 planes were reported over the occupied territories.

2. Mediterranean Theater:

Nothing particular has been reported.

3. Eastern Front:

Air reconnaissance was active over the Caspian Sea. Otherwise there was nothing to report.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

On 3 Aug., the CHARYBDIS and a cruiser of the CAIRO-class left dock in Gibraltar. On 4 Aug., the CAIRO-class cruiser was at sea during the day east of Gibraltar, evidently for tests.

No other reports of interest have been received.

2: Own Situation, Mediterranean:

The Italian destroyers broke off their mine operations off Marsa Matruh because of bad weather. The destroyers have sailed to Leros. A new date for the operation has not yet been set.

Since it must be presumed that there are no German magnetic mines left in Tobruk and Marsa Matruh, and in view of the fact that so far and probably also in the near future no mine-sweeping vessels are available, the German Naval Command, Italy requests that 2 mine-sweeping planes be made immediately available for Tobruk and 2 for Marsa Matruh.

Seeing that the number of existing mine-sweeping planes is very limited, there is not much chance that the request will be complied with.

Unsuccessful enemy submarine attacks against the steamers PETSAMO and PLUTO occurred on 3 Aug.

During a night raid on Tobruk on 3 Aug., a landing barge loaded with ammunition was sunk. The ANKARA, BIXIO, and SESTRIERE convoy was attacked 110 miles north-northwest of Derna by enemy planes which shadowed the convoy until midnight. So far, no damage has been reported.

3. Transport of Supplies to North Africa:

On 3 Aug., a transport submarine from Italy arrived in Tobruk. 4 German and 7 Italian landing barges, together with the tanker SCILLIN, set out on their voyage from Suda to Tobruk.

Otherwise, the transport of supplies is proceeding as scheduled.

4. Area Naval Group South:

Aegean Sea:

Due to interrupted communications no situation report has been received.

Black Sea:

Enemy Situation:

No noteworthy reports have been received.

Own Situation:

According to the final report from the Admiral, Black Sea 4 landing barges reached the Kasantip Bay, after breaking through

the Strait of Kerch. In addition to the 2 landing barges which turned about when approaching Yenikale, in order to put into Kerch, 2 vessels had already turned back at Cape Takil because of engine failure. The hit reported on one of the landing barges entering Kerch was caused by a mine. The landing barges in Kerch which were ready to sail were supposed to get through to the Sea of Azov on the evening of 3 Aug. So far, no report about the execution of this plan has been received. Whether any further landing barges will be brought out of the Black Sea will depend on the decision of Army Group A concerning the execution of operation "Bluecher".

On 2 Aug., a big fire broke out in Sevastopol. Enemy air raids staged simultaneously on Feodosiya, Ivanbaba, and Genichesk on 2 Aug. caused damage to buildings and property. Convoy operations are proceeding according to plan. The steamer ARDEAL, which had been beached after being torpedoed off Odessa on 12 Jun., has been towed into port.

Special Items:

- (1) Group South has submitted the first detailed plan and the reasons for its preliminary demands for operations in the Caspian Sea. For the Naval Staff's reply to Group South and its corresponding directive to the Quartermaster Division see 1/Skl I op 18776/42 Gkdos. in War Diary, Part C, Vol. XIVa.
- (2) Group South has notified the stations under its command of its preliminary plans for the transport traffic in the Black Sea during the ice period. For copy see 1/Skl 19067/42 Gkdos. in War Diary, Part C, Vol. XIVa.

IX. Situation East Asia

Nothing to report.

X. Army Situation:

1. Russian Front:

Army Group A:

Lively air activity is reported from the Kerch area.

South of Kushchevka the enemy is falling back before the entire front in a southerly direction. In the pursuit our troops took Veselaya and Nyezamayevskaya. SS troops occupied Kropotkin. A Slovenian motorized division has taken over flank protection to the north and northwest. The bridgehead north of Armavir has been further reinforced. Nikolayevsk has been taken.

Army Group B:

In the area Orlovka-Remontnaya our troops penetrated as far as the railroad. Krugliakov and Aksai have been captured. Enemy pressure in the Kalach area has eased. A tank attack southeast of

Ketskaya was repulsed. Assault troops and artillery are active on both sides in the area north and northwest of Voronezh.

Central Army Group:

East of Rzhev, strong enemy infantry and tank forces have launched an attack on a wide front south of the Volga River, breaking through our main line of resistance on a front about 15 km wide. It is to be expected that the enemy will bring up further heavy forces into the breach. Tank reinforcements from the area around Vyazma are being rushed to the 9th Army. After very heavy artillery preparation, superior Russian forces have launched another attack north of Rzhev, directing their main thrust against Belkovo. Here our troops succeeded in holding the main line of resistance. It is to be expected that here, too, the enemy will launch further heavy attacks.

Northern Army Group:

Local fighting is reported.

2. Finnish Front:

No noteworthy fighting is reported.

3. North Africa:

Enemy reconnaissance activity as usual. The enemy has intensified his air and ground reconnaissance. Our positions were attacked from the air on several occasions.

Items of Political Importance

In connection with a Second Front in Europe, the United Press reports about a mass-meeting in Montreal calling for troop mobilization in Canada in order to bring about a Second Front.

In a special article, the London Observer stresses the need for immediate action. It contends that the Russian ally is in mortal danger and has been waiting 13 months for the promised aid. It is "now or never". Once the Russian armies withdraw behind the Volga or as far as the Ural mountains, Moscow will have ceased to play a part in the war.

In the secret session of the House of Commons on 4 Aug., Attlee delivered a statement. The fact that Churchill himself did not speak corroborates the rumor that he is in Moscow, where, incidentally Bullitt, too, is said to have arrived as a special emissary of Roosevelt. If, in addition, it is kept in mind that Churchill is in the habit of throwing the weight of his personality into the scale whenever a critical situation calls for extraordinary decisions, then his Moscow trip becomes more and more credible.

Great Britain:

In the House of Lords, the Government explained that the radio address of the British Air Marshal to the German people was in line with the Government's policy proclaimed by Churchill some time ago.

India:

In view of the impending Congress Party resolution which both Britain and America are awaiting with understandable anxiety, the publication by the British Indian Government of the confiscated draft of the resolution has undoubtedly been an effective propaganda move to influence public opinion against Gandhi, especially in America, but even in India. In contrast to the later version which was toned down, the draft in question contains the wish for negotiations with Japan. In any case, the Indian Congress leaders Gandhi, Nehru, and Azad considered it necessary to issue statements intended to mitigate the unfavorable impression created by the publication of the draft. Thus, while Congress was just about to pass the resolution, they were maneuvered into a defensive position. It remains to be seen how successful this step on the part of the Government will prove with Congress circles. In any case, the strong sympathies which Gandhi used to enjoy in America have been considerably weakened. Incidentally, the confiscated documents furnish also the apparent legal basis for prosecution of Gandhi as a person guilty of high treason.

The British Government appears in any event to be determined to counteract by all means any movement that may break out in India, while continuing to count heavily on lack of unity among the natives themselves. In view of this state of affairs, the German press has undoubtedly been justified in showing, as directed, extreme reserve in discussing the Indian problem, since it no longer appears certain whether Gandhi's draft for India's freedom will be accepted at all.

U.S.A.:

The Government is planning very energetic measures to step up war production. "Total mobilization of the nation" is to be achieved by the following measures:

- l. Universal mobilization of all workers, assigning the best skilled workers to war production, and if necessary, mobilization of all able-bodied women.
 - 2. Strict control over production and the use of raw materials.
- 3. Strict control over private industry; if necessary, shutting down poorly managed or otherwise unprofitable plants.

In view of the Congressional elections in fall 1942, Willkie, speaking to both Democrats and Republicans, has asked for a cessation of party disputes in all matters concerning war during the campaign.

Special Items:

- I. The Commander in Chief, Navy has commended the captain and the crew of destroyer Z "37" for their extensive and successful cooperation in completing the vessel which made it possible to commission her on schedule. The Commander in Chief, Navy told the Fleet, the Groups, and the commanding admirals that, in view of the prevailing manpower shortage, he expects the example set by destroyer Z "37" to be widely followed.
- II. The Naval Representative on the Armed Forces High Command, Operations Staff has transmitted a memorandum of the Army Representative on the Armed Forces High Command, Operations Staff concerning Central Africa as an Anglo-American supply and operations base. Apparently, the memorandum is based in part on views of the Foreign Office which are well known to the Naval Staff.

The Chief, Operations Staff, Armed Forces High Command, General Jodl, has pointed out that the evaluation of the situation shows the need for more submarines to operate against the route U.S.A.-Central Africa. The Naval Staff Operations Division will, in turn, submit a brief evaluation of the situation to the Armed Forces High Command, Operations Staff.

For copy of the report see 1/Skl 19186/42 Gkdos. in War Diary, Part C, Vol. I.

III. Concerning the French forces in Alexandria, the German Armistice Commission, France, acting upon a directive of the Armed Forces High Command, Operations Staff of 19 Jul. (see War Diary 19 Jul.), reports that it has transmitted to the French the following communication:

"The German Armistice Commission, in agreement with the Italian Armistice Commission, makes known that the French naval forces, upon leaving port, should try to reach Bizerte as the nearest French harbor. Should the French forces in Alexandria, for some reason or other, be unable to reach Bizerte, they will be assured of adequate shelter and supplies in the sea area of southern Greece or the Aegean Sea. If such a case arises, they will be notified in due time of the names of the harbors which they are to enter, as well as of the courses on which they are to approach those harbors."

IV. The Foreign Navies Branch Naval Intelligence Division reports about docking facilities for British warships overseas in New Analysis "Foreign Navies", No. 37/42.

V. A routine report on convoy and transport operations completed in the area of Group North between 1 Jul. and 31 Jul. 1942 (see 1/Skl 19148/42 Gkdos. in War Diary, Part B, Vol. V) shows a total of 1,658 merchant ships (4,507,000 GRT) convoyed and 133,895 soldiers, 2,624 vehicles, and 504,059 tons of Armed Forces cargo transported. Only 14 of our vessels were total losses as a result of enemy action including mines.

Situation 5 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

Indian Ocean:

On l Aug., Japanese reconnaissance planes sighted l battleship of the WARSPITE class, 2 aircraft carriers, and 9 small cruisers or destroyers 60 miles northeast of Ceylon. Two cruisers were observed elsewhere.

The Consulate in Lourenco Marques reports that, since Durban has primarily become a navy base, Lourenco Marques is being used to a greater extent as a supply base for enemy ships, including those carrying materiel.

2. Own Situation:

No reports have been received from our vessels in foreign waters.

Ship "10" is informed of the latest positions of the ships she will use for cover names by Radiogram 2223.

All vessels in foreign waters were informed about the British hospital ship OPHIR via Radiogram 1153.

A report on the enemy situation was issued via Radiograms 0018, 0636, and 1845.

II. Situation West Area

1. Enemy Situation:

There is no doubt that recently the enemy has been concentrating his ground mine-laying operations on the area off the coast of western France. Only Brest continues to be spared. Few ground mines were laid in the Channel area. The Baie de la Seine remained free of mines.

Despite favorable weather conditions, air reconnaissance failed to yield any results.

2. Own Situation:

Atlantic Coast:

On the night of 4 Aug., enemy planes were active in the area over Brest, Lorient, St. Nazaire, and La Pallice. No bombs were dropped. Mine operations are probable. Naval anti-aircraft guns shot down 1 plane in the vicinity of St. Nazaire. The rivers Loire and Gironde are temporarily closed to traffic because of mine danger.

At 1330 the Japanese submarine I "30" entered Lorient after having been met the day before, as planned, by patrol forces of the Commanding Admiral, Defenses, West and of the Air Commander, Atlantic Coast. The mine-detonating vessel "136" succeeded in sweeping 4 mines in the St. Nazaire area. Due to heavy damage, the vessel is out of commission.

Channel Coast:

The SCHWABENLAND has transferred from Le Havre to Boulogne without incidents.

The battery "Creche I" fired at vessels which had been located southwest of Boulogne, presumably PT boats. Effects were not observed.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

During the night of 4 Aug., enemy planes repeatedly attacked the convoy of the patrol vessel "2011" in quadrant AN 8316 without success. During the same night, enemy planes were also active over the area Terschelling-Schiermonnikoog and farther to the east up to Heligoland and Scharhoern. The planes probably dropped aerial mines.

The Swedish steamer DIANA from the Elbe-Ems convoy was damaged by a ground mine and towed away. Mine-detonating vessels swept I ground mine off Terschelling and another one south of Heligoland. Due to bad weather, operations by mine sweeper flotillas were either broken off or not started.

Around midnight on 5 Aug., enemy planes unsuccessfully bombed our convoy northwest of Terschelling.

2. Norway, Arctic Ocean:

Enemy Situation:

Radio intelligence reports that since I Aug. the battleship NELSON has been observed in the close vicinity of Scapa. Air reconnaissance found lively patrol activity in the eastern part of the Arctic Ocean.

Own Situation:

On orders of the Admiral, Arctic Ocean, the PT boat group at Narvik was dissolved on 4 Aug. The 3 boats have been reassigned to the 6th PT Boat Flotilla and are transferring on 5 Aug. to Harstad in order to join the flotilla for their return home. On 4 Aug., enemy planes were reported active over Stavanger and the Bergen area.

No incidents occurred during convoy operations.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

Submarine U "119" has transferred to Frederikshavn in order to carry out mine operation "Duesseldorf".

The courier plane from Oslo to Copenhagen sent a most unlikely report of sighting and chasing a submarine north of Skagen. Otherwise, no incidents were reported.

In the eastern part of the Baltic, an enemy submarine sank the Finnish steamer POHJANIANTI (681 GRT) near Backofen (south of Windau).

Unfavorable weather conditions badly hampered operations of the Commander, Mine Sweepers, Baltic Sea in the Gulf of Finland. Mine operation "Seehund I" had to be broken off. Convoy operations proceeded as scheduled without any incidents.

V. Submarine Warfare

1. Enemy Situation:

Radio intelligence believes that on 4 Aug. an engagement with the enemy took place in the Freetown area. One vessel sent 2 tactical radio messages to Freetown, the first of which was repeated to 5 ships, presumably escort vessels.

A submarine attack report was intercepted 400 miles northeast of Newfoundland. Submarine sighting reports were sent from locations 40 miles southeast of Cape Breton and 85 miles south of Halifax. Further submarine sighting reports were intercepted from the waters around the West Indies.

2. Own Situation:

Some 400 miles northeast of Newfoundland, submarine U "593" intercepted an eastbound convoy of about 23 steamers escorted by corvettes and destroyers. Further submarines have been sent into action. Contact was maintained throughout the day. So far, submarine U "593" has reported sinking one 5,000 GRT steamer from that convoy.

Submarine U "254" reported sinking a 4,500 GRT steamer on a 130° course about 150 miles southeast of Reykjanes.

In accordance with size regulations, submarine U "510" sank a 5,300 GRT Uruguayan steamer proceeding from Montevideo to New York with a cargo of corned beef. The captain was taken aboard.

The Commanding Admiral, Submarines pointed out correctly that even if the sinking is in accordance with prize regulations, captains of neutral ships must not be taken aboard.

Of the submarines operating in the South Atlantic, U "213" is assumed to be lost. No successes have been reported either by these boats or by those in the Mediterranean.

VI. Aerial Warfare .

1. British Isles and Vicinity:

During the day, armed reconnaissance was carried out and fighter-bombers raided a town on the coast. On the night of 4 Aug., Swansea, Portland, Bristol, and Weston were raided as alternate targets. Hits were well placed. On the night of 5 Aug., our planes raided targets in England marked for demolition.

42 enemy planes flew over the Reich area, 103 over the western occupied areas. The attacks were not concentrated on any one locality. The planes penetrated as deep as Heligoland, Bingen, and Giessen. The Kloeckner Works in Troisdorf were badly damaged.

2. Mediterranean Theater:

Small forces carried out nuisance raids on Malta.

The forces of the Air Commander, Africa flew fighter and reconnaissance missions and attacked motor vehicle concentrations. A raid on Suez, set for the night of 4 Aug., could be made by 3 planes only, since enemy planes attacked our airfields during the take-off. 200 cubic meters of Navy fuel burned up as a result of enemy air raids on Tobruk. Heavy and accurate anti-aircraft gunfire was observed at Suez. Numerous enemy fighters covered Cairo and the Suez Canal at 10,000 m altitude.

Increasing attacks by enemy fighter and bomber formations on the Africa Corps, as well as the complete inactivity of the strong fighter forces on Malta, lead to the conclusion that a new supply operation for Malta is either due or under way.

For air reconnaissance results in the eastern Mediterranean see Enemy Situation, Mediterranean.

3. Eastern Front:

Strong support of the attacking armies and operations in the northern part of the front at the point of enemy penetration are reported.

An enemy mine sweeper operating off Lavansaari was apparently damaged.

For a report on our air reconnaissance activity over the Caspian Sea see Enemy Situation, Black Sea.

4. Special Item:

According to a report of the Naval Representative on the Air Force Operations Staff, 23,424 men and 1,238 tons of supplies were transported to North Africa by air during the period from 17 to 31 Jul. An impressive achievement!

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The EAGLE, the CHARYBDIS, and 4 destroyers have left Gibraltar. Their course is not known.

Submarines were located off Cape Dukato, southwest of Spalato, and north of Sidi Barrani.

In the evening, radio intelligence located the hospital ship SOMMERSETSHIRE on a westerly course northeast of Port Said. Air reconnaissance reported that in the morning 3 destroyers and 2 steamers were proceeding east of Port Said on a southerly course, while 3 other naval vessels were northeastbound. Aerial photographs show the following ships:

In Alexandria: 3 tankers, 10 steamers;

In Port Said: 1 warship dummy, 1 cruiser, 4 destroyers, 4 submarines, 25 steamers, 1 tanker;

In Suez: 1 cruiser, 4 destroyers, 1 torpedo boat, 33 steamers, 8 tankers, and other vessels

2. Own Situation, Mediterranean:

At 0650, motor mine sweeper R "12" was attacked by 6 enemy planes and suffered casualties. Fighter protection was missing. An Italian report states that 240 survivors were rescued from the motor ship MONVISO. 6 men are missing.

For the brief report of motor mine sweeper R "ll" about an enemy air raid on Bardia during the night of 1 Aug., see Telegram 1945.

The German Naval Command, Italy reports that the Italian mine operation off Marsa Matruh will be resumed at 0700 on 7 Aug.

Mining of French territorial waters off Cape Bon

In the meantime, the Fuehrer has ordered the German forces to direct their efforts toward an effective mining of the entire Strait of Sicily. To this end, it is desirable to reinforce the mine fields laid so far, and to lay mines off Cape Bon as soon as possible. Discussions with the Foreign Office, aimed at clarifying the question of

whether the French or the Italians are to lay a permanent barrage, are still in progress. It will be necessary to wait for the results of these discussions. Pending clarification, the Naval Staff considers it advisable that Italy make all necessary preparations so that, in case of danger, a mine field can be quickly laid without first asking the French.

The Naval Staff has informed the German Naval Command, Italy accordingly, making reference to the Command's last report in this matter (see War Diary 22 Jul.). At the same time, the Naval Staff directed the Command to answer the Italian objection by stating that this measure does not require immobilizing the Italian vessels "for an indefinite period", since it is meant only as a temporary expedient until either the French or the Italians take over the mine-laying operations.

According to a communication of 4 Aug. from the Naval Representative on the Armed Forces High Command Operations Staff, the Armed Forces High Command intends to order the German General at Italian Head-quarters to present to the Italian High Command, together with the German Naval Command, Italy, the request for reinforcing the mine fields in the entire Strait of Sicily, and to emphasize its particular importance to the German Armed Forces. This does not affect the question of mining the French territorial waters. The Naval Staff has given its consent as requested.

3. Transport of Supplies to North Africa:

Transport of supplies from Italy to North Africa, from Greece to North Africa, and along the North African coast is proceeding according to plan.

4. Area Naval Group South:

Aegean Sea:

Destroyer ZG "3" has brought the damaged submarine U "97" into the port of Salamis.

Black Sea:

Enemy Situation:

Air reconnaissance reported that a convoy composed of 2 tankers, 1 steamer, and 7 escort vessels has departed from Tuapse in southeasterly direction. On 4 Aug., ships were observed gathering in the Tamanskaya Bay, presumably for the purpose of breaking through southward during the night.

Air reconnaissance located 3 submarines, 7 patrol vessels, as well as numerous lighters, freight barges, paddle steamers, and motor tugs in Astrakhan. One submarine, 2 tankers, 2 large lighters, and 6 small steamers were riding at anchor in Makhach Kala.

Own Situation:

On 4 Aug., an Italian subchaser unsuccessfully attacked a submarine south of Feodosiya, while a landing barge failed in an attack against another submarine south of Odessa. Likewise on 4 Aug. the tanker MONTAN 24 sank as a result of a mine hit west of Ochakov. On the night of 3 Aug., motor mine sweeper R "163" and 1 landing

barge broke through from Kerch in a northerly direction as planned. On the same night, 10 enemy planes, attacking in waves, bombed Kazantip bay and village. The attack was evidently aimed at the landing barges and motor mine sweepers which had broken through the Strait of Kerch but were already on their way to Genichesk at the time of the air raid.

On the same night, a heavy air raid was carried out by the enemy on Mariubel which was simultaneously under gunfire from 3 or 4 vessels. Large fires were caused. On 5 Aug., 3 landing barges transferred from Genichesk to Mariupol.

Army Group A reports that the main effort is again concentrated on operation "Bluecher". 3 landing barges are considered sufficient for the transport of supplies from Mariupol to the Don. Preparation for operation "Bluecher" will be completed by the Army and the Navy by 10 Aug. Convoy operations in the Black Sea are proceeding according to plan.

The Navy Liaison Officer at the Army General Staff reports that the Quartermaster, Rumania has been directed to prepare the vessels for transport operations between the Crimea and Novorossisk so that the landing barges can be released for other missions. For details see Telegram 1345.

5. Situation France:

According to a report of the German Armistice Commission, France, the French have called attention to the fact that torpedo boat FOUGUEUX was able to free the captured steamer MITIDJA only because the crew sent a radio message instead of scuttling the steamer with undue haste. In view of this favorable experience, the French are requesting for their steamers permission to issue submarine sighting reports. For further action on this request see War Diary, Part C, Vol. VIII.

VIII. Situation East Asia

Nothing to report.

IX. Army Situation

1. Russian Front:

Army Group A:

In the Kuban area, our infantry divisions advancing in pursuit of the enemy have reached the line Kanyevskaya-Tikhoryetsk. The enemy is holding the southern shore of the Kuban River near Kropotkin. The bridgehead north of Armavir was widened and reinforced with heavy weapons. The bridge over the Kuban has been completed. Our troops occupied the railway junction Nyevinnomysk south of Voroshilovsk. The railway bridge was captured undamaged. It seems that the destruction caused by the fleeing enemy is not as thorough as before.

Army Group B:

South of Remonthaya, our divisions have launched an attack against unweakened enemy forces. The notorized and Panzer divisions which had thrust northeast of Motelnikov took Plotovitoye against strong enemy resistance. Northwest of Kalach, our troops repulsed heavy attacks. The enemy, supported by tanks, is attacking southeast of Kletskaya. Southeast of Kazanskaya, detachments of enemy forces have succeeded in crossing the Don in westerly direction. Counterattacks are under way. Enemy attacks west of Livny have been repulsed.

Central Army Group:

The enemy succeeded in widening the point of penetration southeast of Rzhev and in advancing as far as the road from Bultontov to Zubtsov. Enemy attacks east and north of Rzhev were repulsed.

Morthorn Army Group:

Southeast of Staraya Russa our troops are attacking in order to annihilate enemy forces which had infiltrated the area east of Gramuchevo. South of Leningrad, our artillery is in action against enemy troop movements.

2. Finnish Front:

On the Loukhi front, our forces repulsed enony counterattacks against our recently won hill position.

3. North Africa:

On the night of 4 Aug., enemy patrol troops were very active in the coastal sector. During the day, artillery and patrol activity was normal along the entire front. According to photographic reconnaissance, the oasis of Farafra is not occupied.

Items of Political Importance

The British Government has neither confirmed nor denied Churchill's trip to Moscow. General Bradley, the former commander of the U.S. Army Air Forces, was sent to Moscow immediately after Litvinov's visit in Washington to give Stalin a personal letter from Roosevelt. He arrived in Moscow on 4 Aug. The visit is interpreted by our sources as having to do with increased American aid to Russia.

In connection with the <u>question of establishing a Second Front</u>, Anglo-American discussions are being carried on. It is said that the secretiveness of the Red Army commanders makes it extremely difficult to work out such a plan and practically prohibits risking the operation. The <u>Economist</u>, mouthpiece of British financial circles, issued an explicit warning against the venture of a Second Front, saying that it would be sheer madness to cross the Channel before the arrival of huge masses of American troops in England and outright suicide to try to run against the enemy's modern coastal defenses. The President of the United Automobile Workers of the CIO spoke in a radio broadcast in favor of the Second Front.

The representative of the French Government in occupied France, De Brinon, declared that the only Second Front which Churchill, Roosevelt, and Stalin might be able to establish consists of acts of insurrection in France instigated by them.

Great Britain:

In the House of Commons, Eden made known the exchange of notes between the Czechoslovak Government in Exile and the British Government, confirming Britain's withdrawal from the stipulations of the Munich Pact with regard to Germany's frontiers.

Charles Kennedy Purvis has been appointed deputy to the First Lord of the Admiralty so that the First Lord of the Admiralty may be relieved for operational assignments.

India:

Under the pressure of the Government's publication of the first draft described on 5 Aug., Gandhi had the committee of the Congress Party accept a new draft on 5 Aug. This draft reiterates the demand for British withdrawal and Indian independence; it adds, however, that, after the independence has been granted, the provisional government of India will unconditionally join the Allies and will put up armed resistance against the Japanese or any other aggressor. The Congress will meet on 7 Aug. London has restated the Government's position to the effect that a campaign of disobedience will by no means be tolerated, that an immediate transfer of power to India is out of the question, and that the Government adheres to the proposals transmitted by Cripps.

Turkey:

On 5 Aug., the Prime Minister introduced his new Cabinet to the National Assembly. He declared that it is the goal of the Government to keep the country out of war, while at the same time putting it in a position to defend itself against any attack on its independence or its territory. To prove the "consistancy" of Turkey's foreign policy, with its definitely positive neutrality, Soracoglu pointed to the treaty with Great Britain and the Turco-German agreement. All in all,

one cannot escape the impression that Turkey is still far from breaking her pact with Britain.

U.S.A.:

Baldwin, a military correspondent of the New York Times, states in an article published in the Argentine magazine Nacion that a large-scale air offensive against Germany depends on the outcome of the Battle of the Atlantic, since gasoline and bombs, as well as plane replacements must be brought to England by sea. In any case, nightly large-scale attacks are entirely out of the question this year.

Japan:

In the opinion of Allied military circles, the Japanese operations in the Kokoda area (on New Guinea) constitute a serious threat to Port Moresby. Military circles in the U.S.A. expect the Japanese to launch an attack on Alaska from the Aleutians. On 30 Jul., Japanese Fleet forces occupied strategic points on the Aru, Kei, and Tenimber Islands in the Arafura Sea north of Australia.

Conference, on the Situation with the Chief, Naval Staff

In a Very Restricted Circle:

I. Upon his return from the inspection tour in France, the Chief, Naval Staff emphasizes the extremely favorable general impression which he has obtained of the Navy's defense preparations on the coasts of France. Most urgently needed is a reinforcement of patrol forces for the protection of the approach and exit routes of submarines in the Bay of Biscay. The Commander in Chief, Navy is submitting the following personal report to the Fuehrer:

"In the period from 3 to 6 Aug. I have personally examined the coastal defense preparations against enemy action in the northern and western areas of France (Le Havre, Baie de la Seine, Brest, Lorient), as far as they concern the Navy and its cooperation with the Army and the Air Force. I hereby report to you, my Fuehrer, that I have gained a very favorable impression of the state of the defenses, especially the submarine bases. Even at this moment, a landing would mean an almost unbearable risk to the enemy.

"Since, at this stage, the enemy can hardly achieve his primary objective, i.e. elimination of the submarine bases, he is trying to deal a heavy blow to our submarine operations by means of continuous air attacks against the submarines in the coastal waters and in the Bay of Biscay on their departure and approach routes. In this he is supported by excellent methods of radar direction-finding. So far, several submarines have been lost in the Bay of Biscay and numerous others suffered heavy damage which put them out of commission for several months. As the situation is constantly becoming more difficult, I am prompted to point out to you most emphatically, my Fuehrer, the serious harm that may be caused to our submarine operations if the present menace of air attacks in the Bay of Biscay is allowed to continue. Today, the departure and approach of the submarines via the Bay of Biscay represents the most difficult part of submarine warfare.

"In view of the decisive importance of submarine warfare, measures to remedy the situation must be speeded up. The air forces on the Atlantic coast are at present entirely inadequate for operations over the Bay of Biscay. Only a few Ju 88's are ready to be sent into action. I, therefore, consider it urgently necessary to increase the air forces of the west area (Air Commander, Atlantic Coast) in order to obtain adequate protection in the Bay of Biscay, and request you to order an increase in the number of air forces operating in the Bay of Biscay to at least one Ju 88 bomber group in full readiness, as well as their replacement by the first He 177 planes coming off the assembly line. Only in such a measure do I see a possibility of improving a situation which has become unbearable, and of avoiding further heavy losses."

Details of the inspection tour will be reported to the usual participants at the situation conference on 7 Aug.

- II. Report on the situation by the Chief, Operations Branch, Naval Staff Operations Division:
- l. The Armed Forces High Command has received reports on large-scale Russian evacuation transports from the Tuapse area to the south by sea. The Fuehrer wishes the Navy and the Air Force to employ all possible means of attack. Group South and the Admiral, Black Sea are being instructed to this effect.
- 2. The convoy PQ 18 has been intercepted by submarine U "405" on a northerly course in quadrant AA 8949. The Admiral, Arctic Ocean has sent into action group "Nebelkoenig", in order to have as many submarines as possible in the area through which the convoy is moving. Group North has ordered the cruiser force to be ready on 3 hours notice and the KOELN to refuel immediately at Narvik.

Group North assumes that simultaneously with convoy PQ 18, a QP convoy will get under way. Despite the annihilation of convoy PQ 17, more than 20 steamers have recently been located in the harbors of the Arctic Ocean. It is therefore quite possible that a convoy will be going back. The Group intends to send the naval forces under the Commanding Admiral, Cruisers against the QP convoy if air reconnaissance furnishes sufficient evidence that the operation promises success. It is planned to intercept and attack the convoy in the eastern part of the Arctic Ocean but by no means to carry the attack to an area where the 2 convoys may meet. Naval forces will attack convoy PQ 18 only under conditions similar to those stipulated for attack on convoy PQ 17.

The Chief, Naval Staff approves the plan in principle. The plan must be reported to the Fuehrer.

The Russian convoy, whose departure from Petropavlovsk was reported by the Japanese Navy on 26 Jul., presumably reached the Bering Strait on 1 Aug., according to dead reckoning by the Naval Staff Operations Division. If nothing happens, the voyage from the Bering Strait will take 15 to 18 days, and the convoy might arrive in the Kara Sea around 15 Aug. The date of 15 Aug. is also approximately the latest on which an eastbound ship can depart from the west. The Naval Staff has communicated this information to Group North and has requested the latter to report its plans at an early date and to submit an operations order for the operation of the cruiser SCHEER in the Kara Sea.

The Chief, Naval Staff agrees.

4. The Naval Representative at the Armed Forces High Command Operations Staff reports from his official trip in the Black Sea area that since reinforcements have been received the "Bluecher" offensive is being reconsidered, involving 2 Rumanian divisions; on this depends where the naval landing craft should be concentrated. 3 vessels would suffice for the transport assignment on the Don. The decision is up to Army Group A.

The Chief of Staff, Naval Staff has ordered Commander Junge to come to Berlin next week to report in person about his observations concerning shippard conditions in Nikolayev and other problems.

5. The Chief of Staff, Naval Staff reports about a letter from the Duce to the Fuehrer, which points out the decisive importance of the transport problem in the Mediterranean and reiterates the request for fuel oil needed by Italian naval forces to maintain patrol and escort operations for the protection of supply transports. The Chief of Staff, Armed Forces High Command was in Berlin and, in compliance with the Fuehrer's basic policy, recommended a loan of 10,000 tons of fuel oil to be granted to the Italians from Navy stocks, although he, too, left no doubt about his opinion on the astonishingly high fuel oil demands of the Italian Navy. Considering all the factors involved, the Chief of Staff, Naval Staff has approved the measure.

The Chief, Naval Staff agrees.

Special Items:

I. The Air Force Operations Staff has granted the fighters requested for the return of the LUETZOW and has issued a corresponding directive to the 5th Air Force and the Air Force Group Command, Central Area, with copy to the Naval Staff Operations Division.

The Naval Staff is notifying Group North to this effect.

II. The Naval Intelligence Division, Foreign Navies Branch reports about the naval stations in Great Britain and Northern Ireland in News Analysis No. 38.

III. Radio Intelligence Report No. 31/42 of the Naval Staff Communications Division, Communications Intelligence Branch contains a compilation of enemy reports from the radio decoding and radio intercept services between 27 Jul. and 2 Aug. 1942.

Situation 6 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to an intelligence report, the number of men embarked in England during the first half of 1942 for transport to India and Ceylon was slightly over 100,000. By October, 45,000 more men for India are to follow. It is presumed that a large convoy of

these troops, who are provided with tropical equipment, will depart from ports on the western coast of England in the early days of August.

Indian Ocean:

Due to the appearance of Japanese submarines in the Mozambique channel, instructions for vessels sailing alone from ports in India to the Cape of Good Hope now direct those vessels to keep far to the east of Madagascar. But this will not bring them into the operations area of our auxiliary cruisers.

2. Own Situation:

The third prize of ship "10", the steamer MADRONO, entered Yokohama on 5 Aug. Unfortunately, the ship had only ballast aboard.

Report on enemy situation was transmitted via Radiograms 1028 and 1759.

II. Situation West Area

1. Enemy Situation:

According to an intelligence report from Paris, Anglophile circles in France are suddenly showing great interest in Le Treport and its surrounding area.

Air reconnaissance observed normal ship movements in the Channel.

2. Own Situation:

No incidents have been reported.

The following operations are set for the night of 6 Aug.: mine operation by the 5th PT Boat Flotilla, torpedo operation by the 2nd and 4th PT Boat Flotillas, transfer of the 3rd Torpedo Boat Flotilla with 3 boats to St. Malo, and transfer of the catapult ship SCHWABENLAND from Boulogne to Dunkirk.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Around noon, enemy planes unsuccessfully attacked vessels of the Rhine Flotilla off Walcheren. In the afternoon, enemy reconnaissance planes were active over the German Bight and the northwestern coast of Germany. Four bombs were dropped on and in the vicinity of the Wangeroog airfield. Our fighter planes made no contact with the enemy.

Mine operation "Erasmus" (cutter float barrage SW 101) is to be carried out during the night of 6 Aug.

2. Norway, Arctic Ocean:

Enemy Situation:

Lively reconnaissance activity is reported over the northern part of the North Sea. On 5 Aug., radio intelligence located 4 British vessels in the southern outlet of the Gorlo Strait and 1 vessel in the Murmansk area. A newly-laid Russian aerial mine was swept in the eastern outlet of the Brei Sound.

At 0018, a submarine reported sighting a convoy on a northerly course in quadrant AA 8949. At 0352, she lost sight of the convoy because of fog. Thus, convoy PQ 18 has presumably been intercepted. Since the ice boundary has receded farther than 77°N, it is to be expected that the convoy will haul off far to the north, passing close to the South Cape and along the northern part of Novaya Zemlya. This greatly reduces the area where the convoy can be attacked from the air.

Own Situation:

The KOELN and the STEINBRINCK are transferring from Trondheim to Bogen Bay. On 5 Aug., enemy planes were active over the western coast. The 6th PT Boat Flotilla is transferring with 5 boats from Kirkenes to Tromsoe.

The Admiral, Arctic Ocean has sent the submarine group "Nebelkoenig" against convoy PQ 18. Submarines U "255" and U "403" have been ordered to proceed at top speed to quadrants AB 58 and AA 69, respectively. For the operations plan of Group North see Conference on the Situation with the Chief, Naval Staff.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

No incidents were reported from the area of the Commanding Admiral, Defenses, Baltic Sea.

Transport and convoy operations to and from Norway and Finland are proceeding according to plan.

In the Gulf of Danzig, submarine U "612" sank after colliding with submarine U "444". One man was killed.

In view of the fact that Russian naval forces are not expected to break out of the Baltic Sea at the present stage, which means that it will not be necessary to mine the Sound, the Naval Staff agrees to Group North's suggestion that operations "Sevilla" and "Skarskhorn" be dispensed with (see War Diary 3 Aug.). The mines carried by the OTTER may be used to replenish the reserves of the Commander, Mine Sweepers, Baltic Sea.

On the night of 5 Aug., mine sweepers M "18" and M "30" had several unsuccessful light engagements with what is presumed to have been 6 Russian motor mine sweepers and 2 FUGAS-class mine sweepers in the Gulf of Finland between Vigrund and Mansi Bank. On the same spot, a submerging enemy submarine was sighted at 0345.

Mine operations "Lachs V" and "Lachs VII" have been executed as planned.

In view of the persistent menace of submarine attacks, Group North has assigned ships "7" and "47" (decoy ships) from the area of the Commanding Admiral, Defenses, Baltic Sea to the Commander, Mine Sweepers, Baltic Sea. For operation "Duesseldorf", they will be replaced by vessels of the 17th Patrol Boat Flotilla.

In order to reinforce the escort service in view of the persistent danger of submarine attacks, Group North requests a temporary allocation of further gun carriers to the 27th Landing Flotilla, since it is no longer possible to increase the force of the Commander, Mine Sweepers, Baltic Sea by withdrawing vessels from other command areas.

The request is under consideration.

V. Submarine Warfare

1. Enemy Situation:

Planes reported sighting submarines 175 miles west of the Gironde estuary and 200 miles southwest of Brest. A plane reported an unsuccessful depth charge attack on another submarine 250 miles north of the Shetland Islands.

2. Own Situation:

For the Naval Staff's communication to the Commanding Admiral, Submarines about the intelligence report on the departure of a large American troop transport (War Diary 3 Aug.) see Telegram 0046.

After having disappeared in the fog at 0351, convoy PQ 18 was not located a second time during the day. Group "Nebelkoenig" has been ordered to form a patrol line extending from quadrants AA 6819 to AA 9381 at 0000 on 7 Aug. The convoy should reach this line shortly after midnight if it proceeds at 8 miles per hour.

Altogether, 13 boats are operating against the convoy in quadrant AJ. 8 boats made temporary contact with the convoy in the course of the day.

No successes have been reported from any of the operations areas.

Further reports are contained in the Supplement to the Submarine Situation in War Diary, Part B, Vol. IV.

3. Special Items:

The permission to attack unescorted vessels sailing alone on route "Anton", which had been granted to the submarines in the past. has now to be cancelled beginning 10 Aug. for the area north of 200 N and beginning 16 Aug. for the area south of 200N, due to the

resumption of blockade-runner traffic.

The Commanding Admiral, Submarines is being directed to this effect via telegram. See 1/Skl I u 1525/42 Gkdos. Chefs. in War Diary Part C, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Our planes attacked in daylight operations Norwich, Boston, and Margate, as well as Truro and Bodmin (Cornwall). On the night of 6 Aug., a few planes raided Cambridge and Edinburgh. Bombs were dropped on 2 steamers in a convoy off Start Point but fighter defense prevented observation of effects.

During the day, 2 enemy planes penetrated into the Reich area without dropping bombs. During the night, 74 flights were observed over the industrial area of western Germany. They did not concentrate on any one place. Our night-fighters shot down 5 planes.

2. Mediterranean Theater:

Reconnaissance over the area extending up to 3° W in search of the EAGLE group failed to yield any results.

Planes protecting supply transports and convoys took off from Crete. In Africa, planes were sent into action against airfields and tank concentrations.

Reconnaissance flights were carried out over the eastern Mediterranean and the Suez Canal. For results see Enemy Situation, Mediterranean.

3. Eastern Front:

Patrol vessels and 1 mine-sweeper were successfully attacked in the eastern part of the Gulf of Finland. In the Arctic Ocean area, our planes raided 1 guerilla camp near Songelsk and 1 cantonment near Eina Bay with observed effect. Reconnaissance over the Motovski Bay up to the Rybachi Peninsula failed to yield any results.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

On the night of 5 Aug., the LIVERPOOL departed with 3 destroyers from Gibraltar, presumably in westerly direction. One cruiser of the CAIRO-class was at sea together with several light vessels east of Gibraltar throughout the day for maneuvers. Efforts to locate the EAGLE group in the western Mediterranean failed. Nor have any indications been received about transfer of planes to Malta.

Submarines were sighted south of Naples and southwest of Gavdhos.

No ship movements were observed in the eastern Mediterranean. Photographic reconnaissance in that area showed no noteworthy changes in the number or type of vessels in the harbors. On 5 Aug., air reconnaissance located 12 steamers, 1 tanker, 1 hospital ship, and 1 southbound submarine in the Suez Canal.

2. Own Situation, Mediterranean:

During the night of 5 Aug., energy planes raided Bardia. 8 Italian submarines were at sea in the western Mediterranean.

3. Transport of Supplies to North Africa:

On 5 Aug., the motor ships SESTRIERE and BIXIO arrived in Benghazi, the APYARA in Tobruk. Otherwise, the transport situation is in accordance with plans. In Tobruk, 1,113 tons were unloaded on 4 Aug. and 1,130 tons on 5 Aug. In Marsa Matruh, 212 tons were unloaded on 5 Aug.

4. Area Naval Group South:

Aegean Sea:

On 4 Aug., an enemy submarine sank I auxiliary sailing vessel off the eastern coast of the Peloponnesos. The Italian Navy reports sighting a submarine south of the Doro Channel on 6 Aug. Transport operations are proceeding as planned. The steamer WACHTFELS has departed under escort with several Italian steamers from Suda to Piraeus.

Black Sea:

Enemy Situation:

An intelligence report stated that on 2 Aug. Admiral Kuznetsov inspected the Black Sea Flotilla in Novorossisk consisting of 1 battle-ship, 1 aircraft carrier, 30 submarines, 3 cruisers, 6 destroyers, and 10 torpedo boats. Some of the vessels are said to have been brought up from Tuapse and Gelendzhik.

The Armed Forces High Command has received reports on large-scale evacuation transports from the Tuapse area to the south.

On 6 Aug., air reconnaissance observed few convoy movements in the Black Sea along the northeastern coast.

According to an intelligence report from Sofia of mid-July, Fort Uritski (Aleksandrovsk) on the Mangyshlak Peninsula on the northeast coast of the Caspian Sea is now a base for the Caspian Sea Flotilla, with large stocks of fuel, docks, and barracks.

On 5 Aug., photographic reconnaissance located 3 gunboats, 3 submarines, 11 tankers, 15 steamers, 4 large lighters, and numerous small vessels riding at anchor in Baku.

Own Situation:

Concerning the sinking of a Russian vessel by an Italian submarine chaser on the night of 2 Aug., the Air Commander, South reports in accord with the Italian subchaser flotilla command that, after checking all the data, he now shares the belief that 2 separate enemy forces were involved on the night of the operation and that the Italian submarine chasers sank the cruiser KRASNY KRIM.

This opinion is based on findings of the radio intelligence service (see War Diary 3 Aug.).

The Naval Shore Command, Ukraine started the transport of personnel for Yeisk on 5 Aug.

On the night of 4 Aug., our artillery fired on 1 enemy PT boat off Ivanbaba and several southbound vessels in the Kerch Strait. One of our boats had an engagement with an enemy vessel. Three of our men were wounded. 2 Russian mines which were adrift in the area off Mariupol have been detonated.

Mine-sweeping operations are proceeding according to plan. The transport of supplies from Taganrog to Azov started on 4 Aug.

Special Items:

(1) The German Naval Attache in Rome reports on 5 Aug. that the Italian Navy has agreed to the transfer to the Caspian Sea of several small submarines, which are at present operating in the Black Sea. In a conference with the Commanding Admiral, Group South, Admiral Riccardi has finally agreed to transfer immediately 2 additional submarine chasers from Italy to the Black Sea area. The Italian Admiralty leaves it up to Group South to decide how many surface vessels and submarines are to be transferred from the Black Sea to the Caspian Sea. The Italian Admiralty expects the number to comprise some 3 submarines and 4 submarine chasers.

For the corresponding directive of the Naval Staff to Group South and the Admiral, Black Sea see Telegram 1919.

(2) For Group South's directive to the Admiral, Black Sea concerning the resumption of supply transports to Sevastopol, with copies to the Naval Staff and the Navy Liaison Officer at the Army High Command, see Telegram 2020.

VIII. Situation East Asia

No special reports have been received.

IX. Army Situation

1. Russian Front:

Army Group A:

Rumanian forces are advancing toward Yeisk. 2 important railway bridges fell into our hands undamaged. A similar success was achieved when our troops captured 2 other railway bridges on their advance to Novokursunskaya, Berenskaya, and Aleksandrolevskaya. Strong enemy forces are holding the south shore of the Kuban River between Kropotkin and Timoshevskaya. In their advance from Armavir our troops have reached Kurgannaya. The advance toward Labinskaya has begun. Petrovsk is free from enemy troops.

Army Group B:

South of Remontnoe, our forces gained ground towards the south and southeast. Enemy attacks near Kalach and Kletskaya were repulsed. The troops which crossed the Don on 5 Aug. have been annihilated. Near Korotoyak, strong enemy forces have pushed across the Don. Hungarian troops are mopping them up. Repeated enemy attacks in the vicinity of Livny were repulsed.

Central Army Group:

Armored units brought to the Rzhev sector succeeded in sealing off the point of penetration near Zubtsov. The penetration was extended up to the Gzhatsk River.

Northern Army Group:

Combat activity is reported near Staraya Russa, near Soltsy, and in the area before Leningrad.

2. Finnish Front:

No noteworthy combat operations are reported.

3. North Africa:

Artillery and reconnaissance activity as usual. Only small numbers of enemy planes were in action.

Items of Political Importance

India:

Gandhi stated in a press conference that he is not going to send the Congress resolution to the Viceroy as an ultimatum, but rather as a basis for further negotiations. He refused to assure the representatives of the press that he no longer wants to negotiate with Japan and remarked that, under certain circumstances, such negotiations might be in the interest of the Allies.

Portugal:

Prime Minister Salazar gave the <u>Temps</u> a widely publicized interview on the dynamic forces of the present war. The text is reprinted in the Political Review No. 183, Paragraph 5.

In view of the weakening Russian resistance, increasing anxiety is voiced both in Portugal and in Spain about the possibility that Great Britain may take steps to seize not only French but Portuguese and Spanish colonies as well.

Great Britain:

The Secretary of State for War has announced the formation of a Palestine regiment consisting of Jewish and Arab companies.

Japan:

In connection with the Indian problem, the spokesman of the Japanese Ministry of Information declared that, regardless of whether India will or will not become independent, Japan can never allow India to be used by the Allied forces for military purposes.

The Army spokesman confirmed this statement, pointing out that, in case of a further expansion of anti-Japanese military activities, Japan will take decisive military steps against India. A compromise with Chungking is not possible. Only a complete extermination of the Chiang Kai-shek regime will lead to a lasting peace in Eastern Asia.

Russia:

The official German news agency (DNB) repeats rumors from Lisbon according to which Churchill's alleged trip to Moscow was occasioned by Stalin's threat to enter into peace negotiations unless the Second Front is established.

Conference on the Situation with the Chief, Naval Staff

- I. In his situation report, the Chief of Operations Branch, Naval Staff Operations Division states that, so far, the Turks have not approached us in the question of the mine field off the Dardanelles.
- II. The Chief of the Quartermaster Division, Naval Staff reports that torpedo boat T "24" cannot be commissioned in October as scheduled because no officers are available. The crew from the destroyer LODY has already been assigned elsewhere. The Commander in Chief, Navy is issuing orders to the effect that the vessel, including officers, must under all circumstances be ready for service on 15 Oct. 1942.

- III. The Chief of the Naval Staff Quartermaster Division reports on the following:
- 1. Organization of the Commanding Officer, Supply and Transports, Black Sea who will have to face tasks of extreme importance during the next 6 weeks.
- 2, The Fuehrer order concerning the release of shippard workers. The Minister for Armaments and War Production called the attention of the Chief of Staff, Armed Forces High Command to the effect which execution of this order will have on the other orders given him by the Fuehrer, and said that he might report these objections to the Fuehrer. Since Minister Speer has presumably left for the Fuehrer Headquarters, the Chief, Naval Staff Quartermaster Division will do likewise without further delay, in order to make every effort to see that the Fuehrer order, which he had brought about, is actually carried out.
- 3. The Italians have promised to begin with, to furnish personnel for 2 smoke detachments (Gdynia, Trondheim). The arrival of the personnel is expected around mid-August. So far, smokescreening preparations are completed in Kiel, Eckernfoerde, and (by the Air Force) the Aasen Fjord.

Smoke equipment is being provided for Gdynia, the Bogen Bay, and the Alta Fjord.

It is hoped likewise to equip Wilhelmshaven, Emden, Brunsbuettel, Wesermuende, Pillau, Memel, Swinemuende, Stralsund, and Rudolstadt; in Norway: Trondheim (city and harbor), Bergen, Horten; in the west area: Rotterdam, Amsterdam, Ijmuiden, Bordeaux, Lorient, Le Havre, Cherbourg, Brest, St. Nazaire, La Pallice, and Boulogne; in the Aegean Sea area: Salamis.

IV. The Chief, Underwater Obstacles Branch, Naval Ordnance Division reports that British aerial mines are likely to be equipped with acoustic firing devices.

According to a report by the Mine Laying Experimental Command, the mines in question are British aerial mines which had been salvaged in the Hohwacht Bay and which show the same type of fastening devices as those used for the measuring equipment in the German LIB Gruen mines. It is very probable that the German Fab III has been copied. It is therefore to be expected that, in addition to purely acoustic mines, there will also appear acoustic mines combined with the British induction firing devices. Defense measures are being prepared.

The Naval Staff immediately passed on this information to Groups West and North, the Commanding Admiral, Defenses, North, the Commanding Admiral, Defenses, Baltic Sea, and the Commanding Admiral, Defenses, West.

- V. The Chief of the Submarine Division of the Naval Staff has been directed to accept with thanks the Italian offer to furnish 500 ship-yard workers for submarine repairs in Bordeaux.
- VI. The Commander in Chief, Navy discusses certain aspects of his inspection tour in France and issues orders pertaining to them.

For copy of the conferences and inspections held in France, as well as related requests and measures, see 1/Skl I b 19339/42 Gkdos. in File "Besichtigungsreise Ob. d.M. im nord-und westfranzoes. Raum" (Inspection tour of Commander in Chief, Navy in northern and western areas of France), appended to War Diary, Part C, Vol. II b.

The Chiefs of the Naval Staff Quartermaster Division; the Communications Division; the Underwater Obstacles Branch, Naval Ordnance Division; and the Naval Ordnance Division are directed by the Naval Staff to take the necessary measures.

VII. The Commander in Chief, Navy emphasizes that the data on the calibers of guns installed on the new Japanese battleships, which the Japanese have communicated to us as strictly confidential, must be kept absolutely secret. The information was meant only for the Fuehrer, who, as recorded on 31 Jul., made certain decisions on the basis thereof with regard to German battleship construction.

VIII. The Chief, Naval Construction Division reports on his negotiations with the Reich Commissioner of Maritime Shipping concerning the possibility of using Dutch shippards for the "Hansa" construction program. The Reich Commissioner has agreed under protest to the outcome of the negotiations whereby some of these shippard facilities have been left at the disposal of the Navy.

The Commander in Chief, Navy agrees and points out that the Navy should show genuine interest in the realization of the "Hansa" construction program.

The Chief, Naval Construction Division reports further on his negotiations with the Reich Commissioner for Maritime Shipping on the question of shipbuilding in Nikolayev. The Chief, Naval Construction Division considers it advisable that the Reich Commissioner of Maritime Shipping, using the facilities allocated to him, be the only one concerned with construction of merchant ships in Nikolayev. The differing view of Naval Group South cannot be approved. When tonnage is required for transporting Caucasian oil, the tanker situation in the Black Sea will become extremely difficult. The Navy should not be burdened with this responsibility. The Chief, Naval Construction Division also recommends that the wishes of the Reich Commissioner of Maritime Shipping be complied with by placing at his disposal in the Black Sea area 6 port commanders with ample experience in transport service.

The Chief, Naval Staff Quartermaster Division objects to this measure, which would mean that 6 urgently needed naval officers would be released for duty as harbor inspectors, while other officers would have to replace them as port commanders.

The Commander in Chief, Navy agrees with the Chief, Naval Staff Quartermaster Division in this point. As for the question of ship construction, a separate decision will be issued after further examination.

IX. Another point of friction with the Reich Commissioner of Maritime Shipping is the question of turning over to him merchant ship tonnage which is now in the hands of the Navy. The Minister for Armaments and War Production interpreted the respective Fuehrer directive (see War Diary 28 and 29 Jul.) as meaning that 300,000 GRT are to be released, instead of the 10%, or 250,000 GRT, ordered by the Fuehrer, and that the Navy is forbidden to use merchant ships as

hospitals or barracks. (See War Diary, 8 Jul.) To the objections raised by the Chief, Quartermaster Division, Naval Staff, the Minister merely replied that he expects the Fuehrer directive to be complied with. Vice-Admiral Krancke will explain the matter to the Fuehrer personally.

The difficulties which the Naval Staff feared would arise unless cooperation between the Navy and the Reich Commissioner of Maritime Shipping were fully ensured, are now beginning to show up.

In a Very Restricted Circle:

X. The Naval Representative on the Armod Forces High Command Operations Staff reports that the Chief of the Operations Staff of the Armed Forces High Command is in complete agreement with the Naval Staff's memorandum concerning Crete (see War Diary 28 Jul.); however he does not believe that presentation of the memorandum to the Fuehrer will have the desired effect, since the Fuehrer has made it a basic point of his policy to consider the Mediterranean as part of the Italian lebensraum, in which Germany must have no aspirations whatsoever. This area, says the Fuehrer, which, for reasons of climate if nothing else, is unsuited for Germanic peoples, has repeatedly brought disaster to the German Reich in the course of history.

The Naval Staff believes that eventually the arguments laid down in the memorandum will be proved correct by the dynamics of the military and political developments. It is therefore necessary to suggest these ideas to the Fuehrer now, regardless of his present attitude. In any case the memorandum was not intended to make him change his attitude, but was only meant to clarify the issues involved. The Chief, Naval Staff will take the opportunity to call the Fuehrer's attention to this subject briefly at the next conference.

XI. No decision has as yet been made concerning operation "Bluecher". As matters stand now, Army Group A again seems to emphasize the importance of maintaining the transport of supplies on the Don, while giving up the idea of launching an offensive across the Kerch Strait.

The first operation of the 1st PT Boat Flotilla off Tuapse has been reported to the Armed Forces High Command. The approach route from the Crimean bases to an operations area off the Caucasian coast is too long for the small Italian submarines and submarine chasers.

XII. The recent mine-laying operations launched by the enemy off the Dutch coast (mines have been located off Egmond-aan-Zee) have prompted Group North to give up the plan of protecting the coast by laying our own mine fields as desired by the Army (see War Diary l Aug.). Group North has notified Army Group D to this effect and recommended that the beach be extensively mined with contact mines.

XIII. The report of the Chief of Operations Branch, Naval Staff on Group North's plans concerning the laying of mines in the sea area of Novaya Zemlya is recorded in the War Diary of 30 Jul. Investigation has shown that the KOEIN's radius of action is sufficient for her participation in the operation.

The Chief, Naval Staff agrees and points out that the most dangerous of these operations should be carried out first. The Naval Staff will inform Group North.

XIV. With reference to the Fuehrer's demand for an investigation into the possibilities of using mines to attack PQ convoys during the winter (see War Diary 17 Jul.), the Naval Staff informs Group North of the Fuehrer directive concerning preparations by the Commanding General of the 20th Army in cooperation with the 5th Air Force for an attack aimed at seizing the Murmansk Railway near Kandalaksha. Under favorable circumstances, this attack, which has been given the code name "Lachsfang", is to be carried out before winter sets in.

The Fuehrer considers that one of the essential prerequisites for succeeding in this operation and exploiting the results is to prevent the Russians from reinforcing their troops in Murmansk, in other words to cut off sea communications to Murmansk this winter.

Group North is therefore directed to investigate how this can be accomplished by extensive mine-laying. Suggestions are to be submitted as soon as possible.

Only a very restricted circle is to be informed of operation "Lachsfang."

XV. According to a directive of the Chief, Naval Staff (see War Diary 6 Aug.), the plan to employ naval forces against the QP convoy as soon as reconnaissance reports have come in is being communicated to the Armed Forces High Command, Operations Staff, with copies to the Fuehrer's Naval Aide and Group North. Naval forces other than submarines can be used only if the convoy passes within the radius of action of the destroyers; cruisers require the support of a battle-ship, and a battleship requires destroyers as protection. The operation against the westbound convoy is planned so that our forces will not encounter the eastbound convoy, unless definite information on the expected heavy escort is available and our forces are not imperiled by aircraft carriers.

For copy see Telegram 1/Skl I a 1531/42 Gkdos. Chefs, in File "Eispalast".

The Chief, Naval Staff agrees.

Special Items:

I. On 28 Jul., the Military Attache in Santiago, Chile sent the following report:

"The U.S. Military Attache made the following statements to a Chilean general on the over-all plans of the U.S.A. for the further conduct of the war: a large air force is being assembled in U.S.A., primarily for an offensive against Germany and Europe. Preparations will take another 5 to 6 months. The offensive will mainly be launched from the British Isles which are being prepared for this purpose (occupation of Ireland prior to this action might be necessary). A real mass attack will be employed in the operation without regard for losses. The first attack will be directed against big cities (as thoroughly as possible) and against industrial centers. Only after that will

major Army and Navy operations against the Continent be launched. Earlier similar operations are only of nuisance and training value. It makes no difference whether Russia has lost the Caucasus and other areas by then or not. The essential thing is to hold the Russian front as such, so that it can once more be used to tie up German forces at a later date. Furthermore, preparations are in progress for an offensive in Central Africa and the Nile valley in the direction of the Mediterranean and beyond, as well as for an offensive from Australia against the Japanese-occupied islands. Finally, an air offensive will be launched from Russian territories in the East against Japan. Preparation of air bases (particularly 150 to 200 km northwest of Vladivostok) has been under way for a long time; due to efficient camouflage, the Japanese have apparently failed to realize its extent. Part of the materiel has already arrived there. China plays the same role with respect to Japan as Russia with respect to Germany. The danger of a post-war spread of communism (which is not too important for America) must at this juncture be put up with."

II. An extract from the study of the Control Inspectorate in Africa, dated 28 May, on French defenses in case of an Anglo-American offensive against Morocco is in War Diary, Part C, Vol. XVI.

III. The Naval Communications Division, Intelligence Branch, acting in agreement with the Naval Staff, Operations Division, has issued designations and abbreviations for British ships. For copy see 1/Skl 27018/42 geh. in War Diary, Part B, Vol. V.

IV. The distribution of British naval forces as of 1 Aug. 1942, according to the findings of the Naval Communications Division, Intelligence Branch, can merely be taken as an indication of the actual situation, since for some time in the past only a very limited amount of information could be obtained about the movements of British naval forces. For copy see 1/Skl 26793/42 geh. in War Diary, Secret Radio Intelligence Reports.

Situation 7 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

According to an intelligence report, the steamer QUEEN ELIZABETH was located on 3 Aug. on a southerly course at 18°E,34°S. On 27 Jul., the auxiliary cruiser ALCANTARA, after escorting a steamer as far as the latitude of Durban, began her return voyage to Cape Town.

2. Own Situation:

The German Naval Command, Italy reports that on 6 Aug. at noon the Italian repatriation ships ARCOLA and TAIGETE were proceeding at a speed of 8.5 knots on a course of 92° when located at 6° 43' N, 34° 82' W.

Via Radiogram 0108, ship "10" was notified of the arrival of the MADRONO in Yokohama on 5 Aug.

Radiogram 2017 informs the CHARLOTTE SCHLIEMANN that she can probably proceed to Japan at the end of August.

Via Radiogram 2044, all vessels in foreign waters were notified that the permission for our submarines to attack unescorted vessels sailing alone on route "Anton" has been revoked for the area north of 20°N beginning 10 Aug. and for the area south of 20°N beginning 16 Aug. This puts the original order for route "Anton" back into effect, except for the fact that the operations zone for the submarines along the Brazilian coast is not 300 but 400 miles wide.

Information on enemy situation was given via Radiogram 0600.

II. Situation West Area

1. Enemy Situation:

Radio intelligence intercepted location reports of a German force in the sea area of South Foreland.

2. Own Situation:

Atlantic Coast:

No incidents have been reported.

Channel Coast:

On the night of 6 Aug., the 4th PT Boat Flotilla was sent on a torpedo mission in quadrant BF 2298 but failed to sight any enemy vessels. The 2nd PT Boat Flotilla carried out extensive minelaying operations in quadrant 3192. For brief reports from the two flotillas see Telegram 1140. The 5th PT Boat Flotilla has carried out its mine operation according to plan.

Enemy PT boats and motor gunboats repeatedly attacked the convoy of the SCHWABENLAND en route from Boulogne to Dunkirk. Nevertheless, the convoy arrived in its port of destination at 0700 as scheduled. The attacks resulted in brisk engagements, partly at close range, between the escort vessels of the 8th Mine Sweeper Flotilla and the enemy force which is estimated to have consisted of 2 to 3 flotillas. One enemy vessel was definitely sunk, 2 others were probably sunk, and 5 more were damaged. Radio intelligence has confirmed that the motor torpedo boat MTB "44" was sunk, another one was set afire, and a third one entered port in damaged condition. Our vessels were repeatedly hit but remained fully ready for action. For the brief report of the 8th Mine Sweeper Flotilla see Telegram 1520.

The participating vessels of the 8th Mine Sweeper Flotilla deserve full recognition for having so successfully protected the valuable ship in their convoy.

Another engagement occurred during the same night off Barfleur between a group of the 38th Mine Sweeper Flotilla and some 8 British PT boats, 2 of which were observed as probably sunk and others as hit. For the brief report of the 38th Mine Sweeper Flotilla see Telegram 1305.

Other enemy PT boats fired on a group of harbor defense vessels off Calais, but our vessels remained at their position ready for action.

The mine-detonating vessel "170" sank When hit by a mine off Ostend. Attempts are being made to salvage the wreck.

The transfer of 3 boats of the 3rd Torpedo Boat Flotilla from St. Malo to La Pallice is completed. Due to another mishap, torpedo boat T "4" has remained in St. Malo.

Special Items:

- (1) In July 1942, the enemy carried out 18 air raids on the forces of the Commanding Admiral, Defenses, West. Total losses: the net layer URANUS and the mine sweeper M "4008". Two steamers and 9 small vessels were damaged.
- (2) The Air Force General attached to the Commander in Chief, Navy has transmitted the urgent request of the 5th Air Force to transfer the catapult ship SCHWABENLAND to the home base with the next convoy.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Except for fishing vessels, no ship movements were sighted off the southeastern and eastern coasts.

Own Situation:

Along the Dutch coast and in the German Bight, 10 ground mines were swept, 4 of them off Egmond-aan-Zee. The 8th Motor Mine Sweeper Flotilla has executed the special mission "Erasmus I" according to plan. (Barrage SW.) Operation "Erasmus II" is set for the night of 7 Aug. The Danish steamer LISE (1,247 GRT) struck a mine north of Wangeroog and sank. During the night of 6 Aug., enemy planes flew in and out of the northern area and approached Heligoland and Borkum. It is assumed that they dropped mines.

2. Norway, Arctic Ocean:

Enemy Situation:

At 1732 an FW 200, using a radar location-finding set, located a target presumed to be convoy PQ 18, for the first time in the fog, at a distance of about 20 km. The location was quadrant AB 71. The target was not sighted.

Own Situation:

A Russian lead-horned mine M 08 was cut on the convoy route off Mageroe in the area of the Commanding Admiral, Norway. On the night of 6 Aug. (at 0020), enemy planes unsuccessfully attacked our convoy off the Sylte Fjord. On 6 Aug., bombs were dropped on the Makkau coast guard station without causing any damage.

The 6th PT Boat Flotilla has been released from the area of the Admiral, Arctic Ocean.

So far, our submarines have failed to regain contact with convoy PQ 18. The Admiral, Arctic Ocean considers a passage south of Jan Mayen as unlikely and intends to let the patrol lines remain at their positions until 1700, on the assumption that ice and fog have reduced the day's run of the convoy. If, by that time, contact with the enemy has not been established, the Admiral, Arctic Ocean is positive that the convoy will pass either east or south of Jan Mayen. In this case, he plans to have the submarines proceed at wide intervals in position to intercept the convoy in the longitude of Bear Island.

Group North takes further into account the possibility that convoy PQ 18 might make a stop at Spitsbergen and then, depending on the ice conditions, proceed close to the coast, waiting for lower visibility. With 10 of our submarines involved in the operation, Group North considers it impossible that the convoy can slip between Bear Island and Spitsbergen without being seen or located. The Group believes it unlikely that the convoy will pass south of Bear Island.

The Commanding Admiral, Fleet has taken over the command of the naval forces on board the TIRPITZ.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

On the night of 5 Aug., a Russian submarine, escorted by 2 mine sweepers of the FUGAS class and several motor mine sweepers, is presumed to have broken through the "Seeigel" minefield. Off Vigrund a submarine returning from the Baltic Sea is trying to break through to Kronstadt. Attempts by Russian naval forces to bring her in have so far apparently been unsuccessful. Russian planes are in action against our submarine chasers.

2. Own Situation:

No incidents occurred in the area of the Commanding Admiral, Defenses, Baltic Sea. Execution of the "Duesseldorf" mine operation is set for the night of 7 Aug.: submarine U "119" will lay minefield XIV consisting of 66 rack mines type A between 57° 21.5' N, 7° 33' E, and 57° 33.5' N, 7° 23' E.

In the area of the Commander, Mine Sweepers, Baltic Sea, the 27th Landing Flotilla has completed the "Lachs IV" mine operation according to plan.

Subchaser "1212" sank east of Tytersaari as a result of a mine hit. 20 men are missing. Mine sweepers M "19" and M "17" suffered casualties through enemy air attacks off Vigrund. Group North has urgently requested the 1st Air Force to furnish fighter protection for this point in order to prevent any attempts on the part of the enemy submarines to return to Kronstadt Bay. Beginning 8 Aug., 1 flight of 5 fighters will be placed at the Group's disposal. In view of the new break through the "Seeigel" minefield, Group North has ordered that a minefield be laid immediately north of Vigrund and Namsi Bank, on the assumption that, so far, the Russians have penetrated the "Seeigel"

mine field where the water was deepest.

V. Submarine Warfare

1. Enemy Situation:

According to an intelligence report, I convoy departed from U.S. harbors to the British Isles on 5 Aug., and another left Gibraltar in westerly direction on 7 Aug. Otherwise there is nothing to report.

2. Own Situation:

In the North Atlantic, the contact with the convoy in quadrants AJ and AK was lost from noon till around 2300. It was regained in quadrant AK 0177. No successes were reported from the operations against this convoy, in which a total of 12 submarines are participating.

There are likewise reports on successes in the areas along the American East Coast and off the West Indies.

Of the submarines operating in the South Atlantic, U "572" reported sinking an 8,000 GRT steamer carrying ammunition in the Freetown area. This submarine sighted 3 steamers between 26 and 31 Jul., while submarine U "507" sighted nothing in the area from quadrant ES 50 up to FB 93 and back to FC 33 during the period from 23 Jul. to 7 Aug. It may be that, as a reaction to the appearance of our submarines off Freetown, the enemy has stopped all ship movements or ordered them widely dispersed.

No successes have been reported from the Mediterranean either.

According to radio decoding, on 5 Aug. an unidentified vessel picked up 31 survivors from the steamer EMPIRE OCEAN (6,750 GRT). It is possible that the steamer was sunk by submarine U "458". For details see Supplement to the Submarine Situation in War Diary, Part B, Vol. IV.

Special Items:

- (1) The Naval Attache, Madrid reports that on 2 Aug. submarine U "573" was decommissioned in Cartagena. The submarine has since been flying the Spanish flag.
- (2) On 5 Aug., the Commanding Admiral, Submarines reported that submarines U "68", "156", "172", and "504" will form a group named "Eisbaer" and depart from Lorient by 19 Aug. for operations in the Cape Town area. After having reached the latitude of the Azores, the group is to proceed in reconnaissance line approximately through quadrant FE 10 to quadrant GG 10 where the accompanying submarine U "459" will refuel the group around 22 Sep. The equator will be crossed around 10 Sep. The Commanding Admiral, Submarines has requested general permission to attack on the entire route from the port of departure up to the point of refueling, whereas from south of that point until their arrival in the waters off Cape Town, the submarines are to attack only battleships, aircraft carriers, and very large troop transports.

Since none of our surface vessels will be at sea from east of 15° % to Cape Town at the time when the submarines enter the South Atlantic, the requested freedom of attack could be granted for the route up to the refueling point. So far, the Cape Town area has been free of submarines, with the heaviest enemy ship traffic converging there. If the submarines appear there suddenly without being detected beforemand, their chances will be substantially improved. However, attacks by the submarines on their approach route south of the equator would reveal our plans prenaturely. After having carefully considered all the advantages and disadvantages, the Naval Staff is of the opinion that success can be achieved only if every effort is directed toward the main objective, and the element of surprise is maintained. Consequently, the submarines should not only be forbidden to attack after they have crossed the equator but should also be ordered to avoid being detected. Only battleships and aircraft carriers may be attacked when it is sure they can be hit. It is also particularly important that the submarines not communicate by radio with the command or with each other.

For copy of the respective telegram see 1/Skl I u 1520/42 Gkdos. Chefs. in War Diary, Part C, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Successful raids were carried out on Edinburgh during the day. In addition, our planes raided several localities on the southern coast of England. During the night, bombs were dropped on Aberdeen, Nottingham, and Ipswich. Hits were observed.

2. Mediterranean Theater:

Air reconnaissance over the Mediterranean failed to yield any results. In North Africa, air raids by strong enemy forces on our supply routes were not very effective. Forces of the Air Commander, Africa, flying free-lance fighter patrol and fighter cover, shot down 13 planes and lost one of their own. Taking off from Crete, our planes carried out reconnaissance and escort missions, as well as submarine chase.

3. Eastern Front:

22 enemy planes were shot down on the sectors of the Central and Northern Army Groups. According to an intelligence report, the oil transport on the Volga has been almost completely suspended to make room for military supply transports and for the evacuation of essential war cargo.

One patrol vessel was damaged in the Gulf of Finland.

VII. Warfare in the Mediterranean and in the Black Sea

1. Enemy Situation, Mediterranean:

A submarine was sighted east of Kerkenna and another one

southwest of Crete. According to an Italian report, the latter was sunk by an Italian torpedo boat some 55 miles southwest of Cape Krio. Lively convoy traffic was observed off the Palestine coast.

According to a belated intelligence report, 2 British PT boats destroyed an Italian submarine after a brief engagement off Beirut on 9 Jul. 11 Italians were taken prisoner. The same report states that several British fleet vessels have withdrawn from the Mediterranean via the Suez Canal.

2. Own Situation, Mediterranean

On the night of 5 Aug. and on the evening of 6 Aug., enemy planes raided Tobruk, causing slight damage.

The Italian mine operation off Marsa Matruh has been executed.

3. Transport of Supplies to North Africa:

Transport of supplies from Italy and Greece to North Africa and along the African coast proceeded according to plan. An enemy submarine sank the steamer WACHTFELS in the convoy proceeding from Crete to Piraeus. The convoy was escorted by 2 Italian torpedo boats, the auxiliary motor ship BARLETTA, and 1 submarine chaser, but had no air escort. The majority of the crew and passengers were rescued. Thus, we deplore the loss of the last large German steamer.

On 6 Aug., 1,699 tons were unloaded in Tobruk.

4. Area Naval Group South:

Aegean Sea:

In view of the menace from enemy submarines, movements of convoys and small vessels in the Aegean Sea have been halted after the sinking, in addition to the WACHTFELS, of another auxiliary sailing vessel on 6 Aug. and an unsuccessful six-fan attack on the tanker RONDINE on 7 Aug. Group South expects intensified submarine action by the enemy against the supply route Piraeus-Crete-Africa of which he is now aware. The Group, therefore, considers it necessary to have more submarine chasers from Italy operate in this area.

Black Sea:

Enemy Situation:

Air reconnaissance reports the presence, at noon, of l cruiser, 5 small warships, and 2 steamers in Tuapse. Only light ship traffic was observed in the Novorossisk-Tuapse area. On 6 Aug., l submarine was located in the vicinity of the lighthouse on the Tendra Peninsula.

2 small steamers and 7 other vessels were sighted in Primorsk Akhtarskaya in the Azov Sea and 11 small steamers and 8 other vessels were sighted off the harbor. 35 barges, 60 motor boats, 20 tugs with barges, and 7 large rafts were observed on the Volga between Astrakhan and Stalingrad. An unarmed Russian motor fishing vessel carrying 4,500 rounds of anti-aircraft ammunition has deserted the enemy in Akhtarsk and joined us in Osipenko. According to the captain's statement, mine fields have been laid along the coast from Akhtari up to Yeisk. Essential plants and shipyards have been destroyed, and the coastal batteries at Yeisk and Akhtari are withdrawing.

Own Situation:

Convoys in the Black Sea area are proceeding according to plan.

The Admiral, Black Sea has reported from headquarters at Kerch that the operation of the 1st PT Boat Flotilla off Tuapse is to be repeated during the night of 9 Aug. and that, due to the great distance from the operational harbors, no further forces are available for that mission. Group South has pointed out that, in view of the fact that the approach route from Feodosiya is 180 miles long, the PT boat flotilla can remain in the operations area for a very short time only. The Group adds that, due to the present situation, the boats are needed for their assignment against Russian nuisance attacks and for flank protection in operation "Bluecher". The available naval forces can be used farther to the south only after operation "Bluecher" has been completed and a base situated farther south has become available. The NavaI Staff has informed the Armed Forces High Command, Operations Staff, with copies to the Army High Command and the Air Force Operations Staff, that the 1st PT Boat Flotilla is being sent into action against the southbound evacuation transports from the Tuapse area on the night of 7 Aug. and that a repetition of this operation is planned for the night of 9 Aug. Because of the great distance between Tuapse and the operational harbors, no further forces are available at the present moment.

Special Items:

- (1) The Italian Naval High Command reports through the German Naval Attache in Rome that, in order to prepare and carry out the transfer of further submarine chasers and small submarines from Italy and the Black Sea to the Caspian Sea, it is necessary to have information on transport conditions from Vienna via Rostov and from the Rumanian harbors via Rostov to the Caspian Sea. To save time, the Italian Naval High Command requests the Naval Staff to agree to a direct settlement between the Italian Naval High Command and the Naval Group South. The Naval Staff agrees on the assumption that Group South will take direct action on all further steps, with the Naval Attache in Rome participating in the negotiations with the Italian Naval High Command. A plane requested for gathering the necessary reconnaissance data must be made available from the area of Group South. The Naval Staff Quartermaster Division has been requested to assist Group South, if necessary.
- (2) According to the findings of the Naval Staff Intelligence Division, it is not possible to transport the Italian subchasers from the Black Sea to the Caspian Sea by rail. The Intelligence Division has been requested to ask the Intelligence Division East of the Army General Staff for the most recent data on roads north of the Caucasus, between the two seas, obtained during the latest advance of the Army. The Naval Staff believes that the Russians might have developed the roads even during the war, or that some of the roads in the German-occupied area are still being repaired and improved, a fact which would make it possible to transport Italian subchasers by land on special truck trailers.

VIII. Situation East Asia

Nothing to report.

IX. Army Situation

1. Russian Front:

Army Group A:

Rumanian forces have reached the area before Yeisk. The southward advance continues against weaker enemy resistance. Our troops have reached Labinskaya south of Armavir. Near Armavir, fighting occurred between our troops and armed civilians. North of Petrovskoe, our troops took Ipatovo.

Army Group B:

The enery forces located west of Kalach were trapped after our troops closed the ring around them from the south, along the Don River. Break-out attempts are being prevented. The enemy penetration north of Korotoyak has been somewhat widened. Fighting is still in progress against the enemy forces which had penetrated into the area near Voronezh.

Central Army Group:

The enemy failed in his efforts to widen the penetration southeast of Rzhev. Our troops are fighting hard to mop up the breach.

Northern Army Group:

Combat activities are in progress against the enemy troops which had infiltrated into the area southeast of Steraya Russa. Enemy attacks north of Novgorod and in the area of Soltsy were unsuccessful. Artillery fire shattered attacks and concentrations of enemy troops in the Leningrad area.

2. Finnish Front:

No noteworthy combat activities are reported.

3. North Africa:

Reconnaissance and artillery activity as usual. Lively activity of enemy air forces is reported.

Items of Political Importance

Reuter reports that the British and the U.S. Ambassadors arrived in Moscow from Kuibyshev. The U.S. Ambassador in Ankara is also reported to be on his way to Moscow, as are the representatives of the Fighting French and of Norway. The meeting of these diplomats, in conjunction with the reports about Churchill's stay in Moscow and about the presence there of U.S. General Bradley, indicates that questions of decisive importance are being discussed at the present moment. The negotiations will probably center on the establishment of a second front in Europe, considering that Churchill probably went to Moscow in order to convince Stalin that Russia must under all circumstances stick by the Allies, even if she has to suffer further heavy losses of territory and life. Such losses could not be averted even if a second front were established, as is now being discussed.

In other quarters, the discussion for and against the establishment of a second front in Europe is still going on. For details see Political Review No. 184, Paragraph 1.

Concerning the shipping situation of the enemy powers, the head of the U.S. War Production Board has recommended that transport plane production be at least doubled, and that certain bomber types be converted into transport planes. The same agency has established a priority list for shipping in order to curb imports.

Great Britain:

The First Lord of the Admiralty said in a speech dealing with the achievements of the British Navy that despite heavy losses more ships are at present under the Admiralty's control than were in November 1918. Considerable losses are constantly being inflicted on enemy submarines, but details cannot be disclosed.

According to a statement by the Food Minister, Great Britain has ample bread supplies, and the food stocks are larger than at the beginning of the war. A further cut in the meat ration may, however, prove inevitable.

India:

On 7 Aug., the long-awaited session of the All-India Congress Committee was opened as scheduled. The Committee will address letters to Roosevelt, Chiang Kai-shek, Maisky, and other Allied leaders, with the request to support the Congress which will resist a Japanese invasion with all weapons of war as soon as the new resolution has been adopted. Gandhi sent a special message to the Chinese people, stating that India is fighting not only for her own liberation but for the defense of China as well.

Portugal:

A report from a diplomatic source states that after the failure of previous negotiations the British Government has now presented an ultimatum to Portugal demanding permission for South African troops to proceed to Lourenco Marques via Mozambique. The ultimatum also demands authorization for the erection of a bunker station in Lobito, evidently intended for refueling convoys. Salazar's pessimism and ill health are indicative of the amount of British pressure being brought to bear on the Portuguese Government.

Turkey:

On 6 Aug., the new government received a unanimous vote of confidence from the National Assembly.

A French source reports that the Turco-Syrian frontier has been closed.

In his report on the military and political situation, the German Naval Attache states that Turkey's interest continues to be focused almost exclusively on the North African theater of war. Turkey fears with good reason that if Egypt and the Suez Canal fall she will be cut off economically and will no longer hold the balance of power of forces in the eastern Mediterranean which so far has enabled her to maintain the desired neutrality. There are as yet no indication of a basic change in Turkey's attitude. This attitude will depend on the further development of operations in Russia and Egypt.

Brazil:

The official German News Agency (DNB) reports that, according to an announcement in Stockholm by the Brazilian Government, only 483 German citizens have been interned in Brazil, while more than 100,000 continue their occupations completely at liberty. Furthermore, only a very small amount of property belonging to German citizens was confiscated as compensation for Brazilian ship losses and casualties.

Special Items:

I. According to an investigation by the Naval Intelligence Division, Foreign Merchant Marine Branch, the losses in enemy or enemy-controlled merchant ship tonnage during the month of July 1943 amounted to a total of 944 vessels or 1,095,894 GRT.

Of these, 107 vessels totalling 563,316 GRT were sunk by our sub-marines

11 vessels totalling 46,760 GRT were sunk by our surface vessels

5 vessels totalling 3,446 GRT were sunk by mines and 28 vessels totalling 149,554 GRT were sunk by planes.

The German share in the sinkings totals 162 vessels or approximately 790,000 GRT, while the rest is to be attributed to the Italians and Japanese.

II. For the directive of the Commander in Chief, Navy to the Group Commands, the Fleet, the Commanding Admiral, Submarines, and the German Admiral, Rome concerning methods of dealing with differences of opinion in the War Diaries see 1/Skl I a 17891/42 Gkdos. in War Diary, Part B, Vol. V.

III. In News Analysis "Foreign Navies" No. 39 the Naval Staff Intelligence Division, Foreign Navies Branch reports on the oil consumption of the British Navy in the various areas. The total annual consumption for the British Navy is estimated at 5,400,000 tons.

Situation 8 Aug. 1942

I. War in Foreign Waters

- Enemy Situation:
 Nothing to report.
- 2. Own Situation:

On 7 Aug. at 2338 ship "23" sent the following message:
"No steamer traffic in quadrants GC, FS, FL, FM, FN, FU, GG." The .
Naval Staff confirmed the message via Radiogram Ol22.

At 0017, another short signal which could not be understood, was received from ship "23". Via Radiogram 1217, the ship was asked to repeat the message.

Ship "28" sent the following message: "Have dismissed supply ship. Supply ship has 1,500 tons of fuel left. Have handed over 104 prisoners." The Naval Staff confirmed the message via Radiogram 0532. The Naval Staff concludes from the message sent by ship "23", at 2338 that ship "23", in agreement with ship "28", made a reconnaissance voyage through the above-mentioned large quadrants of the South Atlantic and that she was communicating this to ship "28". The Naval Staff assumes that the second message may have contained information on ship movements. The few messages intercepted by the radio intercept service confirm the report from ship "23". The Naval Staff believes that there is now less traffic in the central part of the South Atlantic than in the past few months, although there is still a little. Via Radiogram 1501, the Naval Staff informed ship "23" and ship "28" of this assumption. From the message sent by ship "28" at 0317 the Naval Staff concludes that ship "28" is again fully replenished with fuel, and that the CHARLOTTE SCHLIEMANN has been dismissed according to orders.

Ship "28" is being notified of this assumption, as well as of the fact that the CHARLOTTE SCHLIEMANN has been informed that she may expect to leave the South Atlantic for Japan toward the end of August. Should the SCHLIEMANN already have set out on her voyage to Japan, ship "28" is requested to indicate by number the date of the departure of the SCHLIEMANN when convenient. (See Radiogram 1738.)

Information on the enemy situation is sent out via Radiogram 2143.

II. Situation West Area

1. Enemy Situation:

An intelligence report states that on 15 Jul. a fast convoy of 16 or 17 ships, including the AQUITANIA and a large American ship carrying troops from the U.S.A., arrived in the ports of northern Ireland. The convoy made the passage in 9 days and returned empty after 4 or 5 days. The unloading was performed in 3 shifts. The majority of the light escort vessels proceeded to Limavady, a U.S. battleship to Scotland. The cruiser CHESTER was in Belfast.

2. Own Situation:

Atlantic Coast:

A mine sweeper removed a ground mine off St. Nazaire.

Due to a change in the state of readiness of the blockade-runners, the Naval Staff intends to change the sailing schedule and to have the following ships depart during the new-moon period in September: the PASSAT, the PIETRO ORSELO, the IRENE, the SPICHERN, the BURGENLAND, the RIO CRANDE, and the BRAKE.

Group West is being notified accordingly and directed to prepare and provide for the departure of all these ships. Depending on the situation, Group West will have to see how many ships can actually leave. Copy of the directive as per 1/Skl I k 1527/42 Ckdos. Chefs in War Diary, Part C, Vol. XI.

Channel Coast:

6 vessels of the 4th PT Boat Flotilla have arrived in Boulogne. Transfer of the SCHWABENLAND from Dunkirk to Flushing is set for the night of 8 Aug.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

No noteworthy reports have been received. Unfavorable weather conditions badly hampered air reconnaissance operations.

Own Situation:

Due to bad weather, special mission "Erasmus II" (barrage SW 102) had to be broken off. Mine-detonating vessels and mine sweepers removed a number of ground mines, including 2 north of Egmond-aan-Zee. In the evening the catapult ship SCHWABENLAND set out on her voyage from Flushing to Rotterdam. At noon, enemy planes unsuccessfully attacked an anti-aircraft ferry in the Scheldt estuary and the Rhine flotilla in the fairway of Wieling. On the night of 8 Aug. enemy planes flew over the German Bight, and probably dropped mines in that area.

Special Items:

The Armed Forces High Command, Operations Staff announces that the Commanding General, Armed Forces, West will not agree to the changes in the Navy's sector boundaries as suggested by the Commander, Army Group, Netherlands. Thus the sectors previously established by the Navy will remain in force.

2. Norway, Arctic Ocean:

Enemy Situation:

On 7 and 8 Aug., air reconnaissance reported the Hinlopen

Strait and the Olga Strait (Spitsbergen) free of pack ice. Only small drift ice areas were observed there. Steamers can probably pass. Extensive fogs were observed between Bear Island and Spitsbergen, reaching as far as Jan Mayen. Therefore convoy PQ 18 could not be located.

Radio intelligence located 2 British vessels in the Archangel area up to the southern outlet of the Gorlo Strait.

Own Situation:

Russian moored M 08 mines, some of which were rusty, were swept in the Porsanger Fjord. 2 Russian mines were swept on route "Rot" near point 70. It is quite possible that the Russians have anti-sweeping devices in that location. Enemy planes raided the coast guard station and battery at Havningsberg and near Kibergnes without causing any damage. Convoy and transport operations proceeded according to plan.

Group North has agreed to the transfer of 3 Ar 196 planes, as suggested by the Fleet Command, after the LUETZOW has been brought back to the Baltic Sea.

Group North has submitted the operations order of the Fleet Command for the transfer of the cruiser LUETZOW from Trondheim to the Baltic Sea (code name "Eiche"). Escort is to be furnished by the torpedo boats T "6", "15", "9", "12", and the tender F "1". The earliest date is set for 9 Aug., the latest for 15 Aug.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to a report from the Naval Attache in Stockholm, the Swedish Navy announced that it is taking very energetic action against the Russian submarines in accordance with orders issued to the Swedish naval forces. The Swedish Navy is convinced that it has definitely sunk 3 Russian submarines.

2. Own Situation:

Operation "Dussseldorf" has been carried out as planned.

Patrol and convoy operations in the area of the Commanding Admiral, Defenses, Baltic Sea proceeded as scheduled, without incidents.

Operations "Seehund I" and "Seehund II" in the area of the Commander, Mine Sweepers, Baltic Sea were broken off because of unsafe navigation. I landing craft ran aground. 4 mines were swept in the gap of the "Nashorn" mine field. The Finns report that a small Russian vessel struck a mine in mine field "Seehund IV" and sank.

Convoy and transport operations proceeded according to plan, without any incident.

V. Merchant Shipping

According to an intelligence report, there is no doubt that Great Britain has withdrawn about 300,000 to 330,000 tons from the freight traffic during the last 4 to 6 weeks and is keeping them in the British Isles. So far, it has not been possible to ascertain which vessels were withdrawn or any other details. The report deserves attention as a possible indication that ships are being made ready for landing operations.

The Naval Intelligence Division, Foreign Merchant Marine Branch reports in Brief Report No. 24/42 about the number and kind of ships and ship movements in Gibraltar during the month of July, about tungsten shipments from Spain and Portugal to the British Isles, and about transport flying boat construction in the U.S.A. (5,000 70-ton Mars flying boats).

The same report contains a critical analysis of ship production in the U.S.A. According to this analysis, the production in the U.S.A. began with 15 ships in January 1942 and gradually increased to 71 ships totalling 535,000 GRT in July. All in all, the ship-yards in the U.S.A. turned out 301 ships totalling 2,200,000 tons during the first half of 1942, in Britain 87 ships totalling 630,000 tons, in Canada 30 ships totalling 225,000 tons, making a total of 418 ships or 3,078,000 tons in the 3 countries. From this rate of development the Naval Intelligence Division concludes that nearly 5,000,000 tons of new ships will have been added by the end of 1942.

VI. Submarine Warfare

1. Enemy Situation:

Radio intelligence intercepted special orders issued to a U.S. plane for finding a German submarine which had been sighted. The U.S. naval authorities have declared a mined area near Cape Hatteras where ships are not permitted to sail except under control of naval authorities.

2. Own Situation:

3 submarines are reported to have departed recently from Germany and 2 are reported to be outward bound from the harbors of western France.

Ground fog and poor visibility outside the fog areas prevented the submarines of group "Nebelkoenig" from making contact with what was assumed to be convoy PQ 18. 9 of the boats have been assigned new attack areas in quadrants AB 3532, 3512, 3546, 3593, 3821, 3917, 3859, 3975, and 6234. Submarine U "255", the 10th in the group, is to patrol the eastern exit of the Hinlopen Strait (Spitsbergen) at approximately 22° E. The 2 boats in the eastern sector of the operations area are to take up their positions in quadrants AC 98 and 99, with permission to advance to quadrant AW 32 if necessary.

The operation against the eastbound convoy in quadrant AK was continued. However, fog and rain squalls greatly hampered the use of arms. Submarine U "704" reports that one 7,000 GRT steamer

and one 4,000 GRT steamer in this convoy were torpedoed and 2 steamers totalling 15,000 GRT sunk. Other submarines reported misses, and that they were driven off by escort forces.

Submarine U "254" reports 2 probable hits on 1 destroyer in the North Atlantic (quadrant AE 7137) on 1 Aug.

Submarine U "508" reports 1 definite and 1 probable hit on a group of vessels in the West Indies. From the same area, submarine U "155" reports sinking a 9,000 GRT tanker in quadrant EO 61 and the steamer DRACO (2,018 GRT) by gunfire.

Submarine U "109" of the South Atlantic group sank the armed tanker ARTHUR W. SEWALL (6,030 GRT).

Thus definite sinkings alone totalled 40,048 GRT on that day.

For details see supplement to the submarine situation in War Diary, Part B, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

Main targets of our raids were Poole during the day and Leeds at night.

During the night, small numbers of enemy planes flew over Jutland and the Baltic Sea entrances as far as Kiel and Heide, evidently with the purpose of dropping mines.

No bombs were dropped in the west area.

2. Mediterranean Theater:

Our fighter attacks on Malta resulted in 3 enemy planes shot down. 20 Me 109's fought against 35 Curtiss planes. Our fighter-bombers scored well-placed hits in their operations against enemy motor vehicle concentrations in Alamein. On the night of 7 Aug. enemy planes carried out heavy raids on Tobruk and Marsa Matruh.

For reconnaissance results in the eastern Mediterranean see Enemy Situation, Mediterranean.

3. Eastern Front:

Reconnaissance flights were carried out over the Black Sea and the Sea of Azov, as well as over the Arctic Ocean. For results see Enemy Situation, Black Sea and Arctic Ocean. A Ju 88 attacked an enemy mine sweeper off Lavansaari in the Gulf of Finland. Effects were not observed.

VIII. Warfare in the Mediterranean and Black Sea

1. Enemy Situation, Mediterranean:

No reports have as yet been received concerning the EAGLE task force. The radio intercept service reports that a British plane dropped depth charges on 1 submarine in the western Mediterranean. A British submarine was sighted off Cape Vaticano. German air reconnaissance reports that 1 mine sweeper was proceeding with 6 small vessels on a northwesterly course off Valletta. On 7 Aug. photographic reconnaissance located 2 cruisers, 5 destroyers, 3 escort vessels, 4 tankers, 8 steamers, and other vessels in Beirut. Ship traffic observed in the Port Said area was light.

2. Own Situation, Mediterranean:

Enemy air raids on Tripoli and Bardia, carried out on the night of 7 Aug., failed to cause any damage. At dawn enemy planes attacked the Italian landing craft which had entered Marsa Matruh. 2 barges sank, while a third one suffered engine damage. The main pier of Tobruk was completely destroyed in the air raid on 6 Aug. The steamer ANKARA, loaded with German supplies, was slightly damaged. On the basis of a communication received from the Commanding General, Armed Forces South, the German Naval Command, Italy reports that the air defenses of Tobruk have been reinforced by a heavy battery and the air defenses of Marsa Matruh by a third medium battery. The light half-battery in Bardia is to be reinforced by another half-battery. The question of air escort for convoys proceeding to Tobruk and Marsa Matruh has been settled with the Italian Air Force. Our planes can be used as reinforcements.

Concerning the state of readiness of the naval forces under its command, the German Naval Command, Italy reports as follows:

- a. 3rd PT Boat Flotilla: 2 boats ready for action in Marsa Matruh 2 in Sula, 4 in Augusta. Out of Commission: 4 boats
- b. 6th Motor Mine Sweeper 4 boats ready for action in North Africa, 2 boats out of commission, 1 boat was lost. Attempts are being made to sal-

vage the 8th boat in Bardia.

c. 2nd Landing Flotilla:

Of the 35 landing craft completed, 10 have been lost, 3 are in repair, 6 are being brought back for complete overhaul, and 5 are being equipped. 11 barges are in North Africa, all ready for action.

In view of the increasing damage to these vessels, the German Naval Command, Italy declares that it is urgently necessary to provide light armor plating for engines, guns, and command stations, as proved effective in the area of the Commanding Admiral, Defenses, West.

The Naval Staff Quartermaster Division will act on the matter.

3. Transport of Supplies to North Africa:

Transport of supplies from Italy and Greece to North Africa and along the North African coast proceeded according to

plan, with no incidents to report. For details see Telegram 1230.

4. Area Naval Group South:

Aegean Sea:

The submarine chase brought no results. In connection with the loss of the steamer WACHTFELS, Group South transmitted as preliminary information the report from the Admiral, Aegean Sea, whom the Commanding General, Armed Forces, South had also asked for a statement on this matter; according to this report, someone on the staff of the Admiral, Aegean Sea was responsible for neglecting to obtain the necessary air escort for the convoy. A court-martial investigation has been ordered. For details see Telegram 2045.

Convoy operations proceeded according to plan.

Black Sea:

Enemy Situation:

German air reconnaissance observed a small number of ships in the harbor and moderate traffic along the southeast coast of the Sea of Azov moving generally toward the south. Movements of small southbound vessels were also observed in the Kerch Strait, and light traffic was observed in the Novorossisk-Tuapse area.

Own Situation:

On 7 Aug., a submarine unsuccessfully attacked a south-bound convoy north of Sulina. Submarine chasers have been sent into action. On 6 Aug., a detonation was observed in our antisubmarine barrage southeast of Balcik.

On the night of 7 Aug. another 12 landing craft passed through the Kerch Strait toward the north without making contact with the enemy. The last breakthrough, with 3 landing craft, is set for the night of 8 Aug.

On the night of 7 Aug. 3 Italian submarine chasers took up their positions in the patrol line south of Cape Opuk in order to protect the break-through of the landing craft.

On the afternoon of 7 Aug. 4 boats of the 1st PT Boat Flotilla departed from Tuapse into their area of operations.

5. Special Items:

The Naval Staff Operations Division informs the Naval Staff Quartermaster Division of its opinion on the tasks of the Nikolayev shipyard as planned by the Naval Construction Division (see War Diary 3 Aug.).

For copy 1/Skl I a 19013/42 Gkdos. in War Diary, Part C, Vol. XIV a.

IX. Situation East Asia

Nothing to report.

X. Army Situation

1. Russian Front:

Army Group A:

Parts of a Rumanian division are fighting for the possession of Yeisk.

The German and Rumanian forces pushing toward the south reached the region of Angeliskaya on their advance along the railway line to Krimskaya. The troops advancing toward Krasnodar broke through the strong fortifications and the anti-tank ditch 25 km north of Krasnodar are now engaged in a fight with strong enemy defense forces. Advance detachments of the 13th Panzer Army are 8 km from Maikop. East of this point, I motorized division crossed the Laba River. 2 panzer divisions pushing southeast from the Voroshilovsk area have reached the area of Aleksandrovskoye and the area west of Pyatigorsk without making contact with the enemy. An infantry division is advancing on both sides of the Sal River from Remontnaya toward the east.

Army Group B:

The XLVIII Panzer Corps is engaged in a fierce battle south of Stalingrad where the enemy is constantly getting reinforcements. The enemy forces west of Kalach are being cut off with increasing effect. Outside the Italian positions in the Baskovski area the enemy succeeded in crossing the Don River. West of Svoboda, Hungarian units are fighting with armored enemy forces at the Don River.

Central Army Group:

Stubborn fighting in the vicinity of Rzhev continues. The enemy succeeded in gaining ground on both flanks of the point of penetration. New German forces launched a counterattack.

Northern Army Group:

Enemy troops made unsuccessful attacks near Kholm, at the land bridge southeast of Staraya Russa, and near Soltsy.

2. Finnish Front:

Enemy attacks northwest of Leningrad were repulsed. Finnish artillery attacked enemy assembly positions on the Svir front and near Povlents.

An enemy attack is expected on the Loukhi front.

3. North Africa:

So far no report has been received.

4. Special Item:

For the report of the Naval Liaison Officer with the Army General Staff made to the Chief of Staff, Naval Staff containing information on the Army situation on 8 Aug. see File "Barbarossa".

9 Aug • 1942 Sunday

Items of Political Importance

The United Press reports that the purpose of the Moscow conference is to work out a joint strategic plan, pointing out that there are 11 different Allied high commands as contrasted with the tight organization of the German Armed Forces. According to another United Press report, General Bradley is negotiating about increased plane deliveries. He is said to have declared that the problem of the second front does not come under his authority.

U.S.A.:

The Navy Department published a report on the American conduct of the war and on war production during the first 8 months. So far, American industrial production is considered unsatisfactory. Most urgently needed are small naval forces, designed to cope with the submarine menace. During the first 6 months ship losses exceeded the number of newly built ships; at present, however, the losses have decreased and the number of new ships has grown.

India:

Reuter reports that the All-India Congress Committee has passed the freedom resolution of the working committee. On 9 Aug. the British Government in India had Gandhi and other Indian Congress leaders arrested in Bombay. At the same time, it authorized the governments of the provinces to suspend the authority of the local agencies throughout the entire country whenever they consider such a measure necessary for the maintenance of peace and order. This confirms the previously expressed assumption that the British Government is determined to keep the situation in India under control by applying the strongest measures.

Japan:

A report from Japanese Headquarters about a major engagement between the Allied and Japanese naval forces off the Solomon Islands indicates that the Allies, particularly the Americans, are making an attempt to obtain control of the strategically important points in the South Pacific in order to protect their sea routes to Australia and Australia herself. For details see Situation East Asia.

Special Items:

I. In a detailed situation report, the Naval Staff Operations Division expressed its views about pocket battleship operations in foreign waters during the coming winter. The report comes to the conclusion that the prospect of success for operations in the South Atlantic, South Pacific and possibly in the Indian Ocean is as good as before June 1941 when the SCHFER carried out her first successful operation. In addition to the expected sinkings, the appearance of a pocket battleship will force the enemy to take much stronger defense measures than at present. Consequently he will withdraw forces from other theaters, if he feels that he can do so. In view of the present over-all situation, the Naval Staff

rates the indirect effects of the appearance of a pocket battle-ship in foreign waters extremely high. Actually, only in the South Atlantic would an operation be feasible during the short period of 2 months available, but this period would be sufficient for giving the pocket battleship the chance to operate effectively in all areas of the South Atlantic. Enemy countermeasures will not have to be taken into account before approximately one month. If the enemy is tied up at other points simultaneously, his countermeasures will be correspondingly weaker. The problem of supplying the pocket battleships will not present any particular difficulties since ample experience and means are available. However, the conditions for the breakthrough and return have become more difficult. The good chances of success in the operations area compensate for the risk involved.

The Naval Staff Operations Division, Operations Branch therefore suggests that the SCHEER operate in the South Atlantic from mid-November 1942 to end of March 1943. See 1/Skl I k/I op 1434/42 Gkdos. Chefs. in War Diary, Part C, Vol. I.

II. Certain difficulties have arisen between the German and Italian Navies concerning the courses for the vessels carrying home Italian citizens from East Africa in connection with the minefields laid by the DOGGERBANK on the Agulhas bank. Disregard of the German wishes concerning these courses has largely contributed to promoting the British plan for using the Italian repatriation ships indirectly as mine sweepers. For copy see 1/Skl I k 1174/42 Gkdos. Chefs. in War Diary, Part C, Vol. I. The telegrams exchanged on this subject between the Germans and the Italians from 31 Mar. to 28 Jun., as well as a map, are appended.

III. The Minister of Armament and War Production reported to the War Economy Branch of the Naval Ordnance Division that during the conferences on 23, 24 and 25 Jul. the Fuehrer declared that, even when the operations in the East are successfully concluded, production of Army equipment must continue on the same footing as that of the Air Force because future operations require this.

In addition, the Fuehrer has decided that the merchant ships scheduled for construction should be equipped with derricks that can lift as much as 65 tons. The Fuehrer will not compromise on this demand.

IV. In the conference between the Naval Staff Submarine Division, the Naval Construction Division, the Executive Office of the Commander in Chief, Navy, and Mr. Walter concluded on 16 Jul. it was decided that constructing the type V 300 submarine would not provide a submarine suited for the Atlantic any sooner than building the small boats type WA 201 now, and immediately afterwards designing a large boat. This large boat, designated as V 301, would be 800 tons, have a surface range of 7,000 to 8,000 miles, a surface speed of 15 knots, submerged speed of 26 to 27 knots, would be armed with 4 tubes at the bow, and carry 16 torpedoes. The complete design would take about 4 months, after which it would have to be decided whether to build such a submarine. According to Mr. Walter, 2 WA 201 submarines will be completed by 1 Sep. 1943. The Navy could take them over in the spring of 1944.

Situation 9 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

In the afternoon radio intelligence intercepted 2 QQQ messages from the British steamer DALHOUSIE (7,022 GRT) reporting that a suspicious vessel fired on her at 20° S, 25° W.

It is highly probable that our auxiliary cruisers are involved.

According to an intelligence report, on 8 Aug. at 1720 an aircraft carrier was proceeding at a speed of approximately 20 knots on a northerly course 4 miles off Port Etienne (French West Africa).

Another intelligence report states that on 5 Aug. a reliable agent observed 5 British warships proceeding northward after their departure from Funchal.

According to the same report, the Irish steamer CLTY OF DUBLIN loaded 2,000 barrels of fish oil in Lisbon supposedly for Eire but actually destined for England.

The Foreign Office reports that the Portuguese steamer SAN MIGUEL is scheduled to depart from Baltimore at 1000.

Independent of the Foreign Office communication, the Naval Attache informed the Portuguese Government on 5 Aug. about the safe courses in the Chesapeake Bay.

2. Own Situation:

On & Aug. at 2316 ship "23" reported that she had transferred her operations area to the large quadrant FE. She also confirmed by a "yes" that she still wants the 2 Ar 196 planes (see War Diary 29 Jul.). The Naval Staff confirmed the message via Radiogram 0039.

At 0317 ship "28" reported meeting ship "23" in quadrant GD 22. The Naval Staff confirmed the message via Radiograms 0612 and 1555. In the latter, the Naval Staff states that it assumes that the two ships coordinated their further operations and are now en route to their new operations areas.

The Naval Staff approves the transfer of the operations area into large quadrant FE as reported by ship "23", assuming that arrangements were made with ship "28" in case the boundaries of the operations area are crossed. Ship "23" is being informed accordingly via Radiogram 1822, and at the same time her attention is called to the fact that the submarine operations area was extended until 16 Aug., and that German submarines are at present operating in that area. The demand for planes will be examined. However, it is no longer possible to send the planes on the auxiliary supply ship PASSAT assigned to ship "23".

Since ship "23" failed to repeat the garbled short signal as requested in Radiogram 1217 on 8 Aug., the Naval Staff assumes

that its interpretation of the text of the short signal (see War Diary & Aug.) was correct and that no further reply is to be expected.

Ships "23" and "28" are notified of the QQQ messages sent out by the steamer DALHOUSIE and asked which of the two auxiliary cruisers was involved (see Radiogram 2200).

Via Radiogram 2001 the blockade-runner UCKERMALK is informed about ships, the names of which could be used for camouflage purposes.

The German Naval Command, Italy informs the Commanding Admiral, Submarines and the Air Commander, Atlantic Coast, with copy to the Naval Staff Operations Division, about the positions of the Italian repatriation ships ARCOLA and TAIGETE on 8 Aug. at noon.

Via Radiogram 2157 all vessels in foreign waters are informed about the announcement of the Japanese Navy of 7 Aug. concerning the successes scored in the engagement between the Japanese fleet and the Anglo-American fleet off the Solomon Islands on 7 Aug., as well as about enemy convoy movements in the South Atlantic during June and July.

II. Situation West Area

1. Enemy Situation:

Air reconnaissance located 14 steamers lying in The Solent. At the same time it spotted a force of 6 destroyers and probably a light cruiser on southerly course off Selsey Bill. 8 to 10 steamers were observed lying off Portland.

2. Own Situation:

Atlantic Coast:

3 ground mines were swept off Lorient and in the Gironde estuary.

Group West ordered blockade-runner UCKERMARK to depart on 9 Aug.

Channel Coast:

Torpedo boat T "4" is scheduled to transfer from St. Malo to La Pallice during the night of 9 Aug. During the night of 8 Aug. a patrol vessel and accompanying forces made contact with British motor gun boats off Calais. 2 vessels of the harbor defense flotilla of Boulogne took part in the engagement. Several direct hits were observed on the enemy vessels. Our forces were missed by 3 torpedoes.

For brief report of the harbor defense flotilla of Boulogne and the battle report of the 2nd Coast Patrol Force see Telegrams 1715 and 1945.

In the afternoon several enemy fighter groups flew over the Belgian

and French coasts. The battery "Schuette" fired on 30 Spitfires.

III. North Sea, Norway, Arctic Ocean

1. Morth Sea:

Enemy Situation:

Air reconnaissance reports that in the evening 10 to 15 steamers arrived at Newcastle. 15 southeastbound steamers were sighted off Flamborough Head.

Own Situation:

4 ground mines were swept off the Dutch coast and in the vicinity of the Frisian Islands. Towing attempts were unsuccessful and the Swedish steamer SICYN sank as a result of a mine hit off Den Helder. The transfer of the catapult ship SCHW.ABENLAND from Flushing to Rotterdam is completed. In the afternoon an enemy plane flew a reconnaissance mission over the German Bight as far as Kiel and returned via Esbjerg. Enemy planes were very active in the area of the Admiral, Netherlands. Naval anti-air-craft guns shot down 2 planes.

2. Morway, Arctic Ocean:

Enemy Situation:

According to intelligence reports from Switzerland sent in the beginning and toward the middle of July, there is again talk about British and American operations planned in northern Norway. On the other hand, no commando raids will be undertaken in the west area for the time being. According to a statement by a British air attache, the British High Command wants to be firmly established in northern Norway by fall.

Radio intelligence reports that 2 British vessels were between the southern outlet of the Gorlo Strait and Archangel. Air reconnaissance over the Arctic Ocean failed to yield results.

The submarines have so far likewise failed to reestablish contact with convoy PQ 18.

Own Situation:

Artillery fire directed from the Rybachi Peninsula against a picket boat on 7 Aug. was ineffective. On the afternoon of 8 Aug. an enemy submarine unsuccessfully attacked a westbound convoy with 2 torpedoes. Because of poor visibility, the Naval Shore Command Kristiansand South ordered a first-degree alert for its area. The patrol vessel TAIFUN sank off Lerwik as a result of a collision with a Norwegian steamer.

Group North ordered execution of operation "Eiche" for 10 Aug.

With regard to convoy PQ 18, Group North fully approves the measures taken by the Admiral, Arctic Ocean for submarine attacks. Group North is entirely convinced that the observations by submarine

U "405", which are the only evidence so far that convoy P2 18 is en route, are correct. Unless further sighting reports are received, Group North recommends that the patrol line be gradually shifted toward the east.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

A Finnish report states that 4 Russian destroyers are in Kronstadt ready for action.

2. Own Situation:

In the area of the Commanding Admiral, Defenses, Baltic Sea a total of 3 ground mines were swept west of Samsoe and off Schleimuende. All other operations proceeded according to plan.

In the area of the Commander, Mine Sweepers, Baltic Sea, submarine patrol, mine-sweeping, and convoy operations proceeded as scheduled, with no incidents to report.

For attempts on the part of Group North to have the Admiral, Amphibious Forces furnish 3 heavy guncarriers for the Commander, Mine Sweepers, Baltic Sea without being given the requested motor mine sweepers as replacements see Telegrams 1255 and 2136.

The Naval Staff Quartermaster Division has taken up the matter.

For orders by the Ministry of Transportation concerning compulsory escort for ships carrying personnel on leave see Telegram 1325.

V. Submarine Warfare

1. Enemy Situation:

Reconnaissance in the North Atlantic reported the presence of submarines 300 miles south of Reykjanes and 370 miles west of Rockall Bank. British vessels were sighted 180 miles northwest of Porcupine Bank and 180 miles northwest of the northern outlet of the North Channel. Reconnaissance activity in the southern rendezvous area was particularly lively in the Bay of Biscay. I submarine was attacked 150 miles northwest of Cape Villano and is presumed to have been hit twice.

Another submarine was sighted proceeding on a westerly course 200 miles north of Cape Ortegal. Half an hour later a British vessel was located in the same area.

According to an Italian report from an allegedly reliable source, on 1 Aug. a large convoy of 5 passenger steamers and 20 freighters under heavy escort consisting of 1 aircraft carrier, presumably of the ILLUSTHIOUS class, 5 cruisers, and 12 destroyers, with

25,000 men aboard, departed from Freetown for Egypt.

In addition to several submarine sighting reports off the American east coast and in the West Indies area, reports about submarine attacks were intercepted from the area northeast of Georgetown.

2. Own Situation:

No incidents of importance occurred in the Arctic Ocean.

In the North Atlantic, submarine U "146" sank an immobile 7,000 GRT steamer from the convoy in quadrant AK. Submarine U "595" probably torpedoed a destroyer. After 2000, strong enemy air escort broke off the contact between the submarine and the convoy. The operation is being continued.

From the American coast, submarine U "89" reports execution of the mine operation off Jacksonville according to plan. For the time being, the submarine tanker U "463" is supplying the submarines as planned.

Submarines in the West Indies area were informed that Georgetown is probably a refuelling station for convoys running between New York and Freetown. Of the submarines operating in the South Atlantic, submarine U "130" reported sinking the tanker MALMANGER (7,078 GET) in quadrant ES 5144.

Of the 3 submarines sent into action in the western Mediterranean according to a Naval Staff directive, submarine U "331" must be withdrawn to Spezia on account of damage from aircraft bombs. Submarines U "73" and "205" were ordered to occupy the northern and southern halves of quadrant CH 91.

For further details see supplement to submarine situation in War Diary, Part B, Vol. IV.

3. Special Items:

a. The directive concerning submarine attacks on route "Anton" (see War Diary 6 Aug.) has been changed on account of the departure of the UCKERMARK to the effect that attacks are prohibited north of 20° N effective immediately, and south of 20° N effective on 14 Aug. The Commanding Admiral, Submarines and Group West are requested to take the necessary measures (see Telegram 1631.)

b. The measures stipulated by the Naval Staff in agreement with Group West and the Commanding Admiral, Submarines for protecting in and outbound blockade-runners are for the first time being applied for the departure of the UCKERMARK. In and outbound submarines are ordered to keep track of the route of the blockade-runner in order to be ready to render immediate aid if necessary.

VI. Aerial Warfare

1. British Isles and Vicinity:

During the day, fighter-bomber attacks were made on the coastal area of England, in addition to reconnaissance missions. On the night of 9 Aug. a considerable number of planes raided Brighton, and a few planes attacked industrial targets.

On the night of 9 Aug. there were 140 to 160 enemy incursions, 80 to 100 of them into Reich territory, concentrating on Osnabrueck. 5 planes were shot down. For an account of the considerable damage see daily situation report. On the evening of 9 Aug. enemy planes attacked the Duesseldorf area without causing any particular damage.

2. Mediterranean Theater:

A major attack was carried out on enemy strongpoints in the Qattara Depression. At the central sector of the front the Panzer Army was relieved by fighter-bomber raids on enemy motor vehicle concentrations. Free-lance fighter patrols, reconnaissance, and harbor defense missions failed to yield results. Fighter thrusts against Malta were also unsuccessful. For reconnaissance results from the eastern Mediterranean see Enemy Situation, Mediterranean.

3. Eastern Front:

The Black Sea and Sea of Azov harbors were thoroughly reconnoitered. During the air raid on Tuapse one 4,000 GRT steamer was sunk and 2 small steamers were damaged.

In the Arctic area, bombs were dropped with observed effect on enemy assembly positions at the Kandalaksha sector.

VII. Warfare in the Mediterranean and Black Sea

1. Enemy Situation, Mediterranean:

According to an intelligence report from Spain, lively westbound traffic was observed in the Strait of Gibraltar on the night of 8 Aug. A large vessel, either an aircraft carrier or a transport, is assumed to be among the ships. On the same night several vessels are reported to have entered and 6 to have left Gibraltar. In the morning, the number of ships in the harbor was approximately the same as before. In the afternoon 3 destroyers arrived from the west. An Italian source reports that on the night of 9 Aug. some 24 vessels, with their lights dimmed, entered the Strait of Gibraltar from the west.

The number of ships in Valletta was unchanged. Photographs of harbors in the eastern Mediterranean also failed to show anything unusual. A few merchant vessels were observed moving through the Suez Canal.

l cruiser of the SOUTHAMPTON class, 5 destroyers, 1 repair ship, 1 passenger steamer, 32 steamers, and 4 tankers were sighted in

the Suez roadstead. Air reconnaissance observed lively submarine activity in the whole Mediterranean area.

2. Own Situation, Mediterranean:

During the night of 7 Aug. enemy planes raided Tobruk and Marsa Matruh without causing any damage. During the night of 8 Aug. aerial mines were dropped in Marsa Matruh. 2 undamaged mines of an unknown type were recovered. Since the mines might be equipped with combined magnetic and acoustic firing devices, it was requested that an expert be sent to examine them. The Mine-Laying Experimental Command will take the necessary steps.

On 7 and 8 Aug. submarines unsuccessfully attacked the steamer ISTRIA with torpedoes in a convoy en route from Benghazi to Navarino, and the unescorted steamer AMBA ALAGI off the Canary Islands. In the night of 8 Aug. one of the submarines fired on a coastal railway in the Canary Islands. Italian subchasers have been sent into action. During the enemy air raid on Benghazi on 9 Aug. the steamers GIULIANA and OSTIA, as well as the quay, suffered damage.

3. Transport of Supplies to North Africa:

Transport operations proceeded as planned without any incidents.

4. Area Naval Group South:

Aegean Sea:

l submarine was observed east of Naxos and another one north of Crete. 'Submarine chase, which so far has been unsuccessful, is being continued.

The ban on Spanish and Turkish shipping was lifted for escorted convoys effective immediately and for ships not carrying troops effective 11 Aug. The ban in the Aegean Sea continues in force for troop transports and unescorted small vessels.

Black Sea:

Enemy Situation:

Reconnaissance of harbors in the Black Sea and the Sea of Azov, as well as in the Caspian Sea and on the Volga River, failed to yield results. 14 lighters, 8 tugs, and 12 paddle steamers, as well as 2 ferries, were spotted in Stalingrad. A southbound convoy was observed north of Tuapse.

Own Situation:

The 1st PT Boat Flotilla operating some 15 miles southeast of Tuapse during the night of 8 Aug. failed to sight any suitable targets. Only patrol vessel and subchaser operations were observed. On its way back, the flotilla dropped depth charges against a submarine some 60 miles south of the Kerch Strait without being able to observe the effect. Motor mine sweepers have checked the outward route from Ivanbaba. The last 3 landing craft

are to be escorted through the Kerch Strait into the Sea of Azov by 3 motor mine sweepers with air support in the night of 9 Aug. An Italian subchaser group will be stationed south of Cape Opuk for protection. On the same night, 1 force of 2 PT boats is being sent into action against Russian ship movements along the Caucasian coast off Novorossisk and another one against vessels off Tuapse. On 8 Aug. the Admiral, Black Sea transferred his headquarters from Kerch back to Ivanbaba. Mine-sweeping and convoy operations proceeded according to plan without incidents.

VIII.Situation East Asia

The Japanese Naval Attache reports that on 7 Aug. the Japanese fleet again attacked the Anglo-American fleet in the Solomon Islands area.

The following ships were sunk:

1 battleship (class unknown)
2 heavy cruisers (ASTORIA class)
2 heavy cruisers (AUSTRALIA class)
more than 3 light cruisers
more than 4 destroyers
more than 10 transports.

The following ships were damaged:

3 heavy cruisers (MINNEAPOLIS class) more than 2 destroyers more than 1 transport.

The Air Force shot down:

more than 32 enemy fighters more than 9 fighter-bombers.

Japanese losses:

7 planes destroyed 2 cruisers damaged (still maneuverable).

No further news has been received since. The German Admiral in Tokyo has not yet reported on this battle.

Enemy reports on the engagement are not yet available. The Communication from the Japanese Naval Attache was transmitted to the Naval Representative of the Armed Forces High Command Operations Staff and to the Naval Liaison Officer with the Army High Command.

IX. Army Situation

1. Russian Front:

Army Group A:

After a brief fight, Rumanian troops occupied Yeisk. After crossing the enemy's anti-tank ditch, our troops took the western part of the city of Krasnodar. Other Army forces penetrated into the town from the east and the north, and toward noon the town was in our possession. In the afternoon, the 13th Panzer Division launched an attack on Maikop and penetrated into the city during the evening. South of Maikop other troops are advancing westward toward the Byelaya River. Parts of a panzer division pushing southeast have reached the area north of Essentuki. Our forces crossed the undamaged bridge north of Pyatigorsk. The Kuma River has been reached. The divisions advancing from Salsk in easterly direction reached Klayevka and Kopanski.

Army Group B:

On the southern wing of the Army Group, parts of a division are engaged in a fight against weak enemy forces near Sirotski on the Sal River. South of Stalingrad, new forces brought up by the enemy are putting up a stiff defense against the German and Rumanian units advancing from the south. Desperate attempts by the enemy to break out of the pocket west of Kalach were repulsed. The situation at the Italian division has been restored through intervention of the 22nd Panzer Division. East of Svoboda, the Russians succeeded in reaching the western bank of the Don River and pushing back the Hungarian forces. Enemy pressure north of Voronezh continues.

Central Army Group:

All attacks by constantly reinforced enemy troops aiming at an extension of the point of penetration near Rzhev were repulsed. Enemy attacks north of Rzhev and southwest of Byeloi were likewise repulsed.

Northern Army Group:

Enemy attacks on the land bridge from the north and the south were beaten off. Brisk combat activity is reported south of Soltsy.

2. Finnish Front:

An enemy attack north of Leningrad was repulsed. In the Ukhta area, forest fires caused by our incendiary shells destroyed enemy positions and minefields. On the northeastern front, an enemy attack north of Alakurtti was repulsed.

3. North Africa:

Some patrol, artillery, and plane activity is reported.

Items of Political Importance

The Allied conferences in Moscow are being widely discussed. Authentic reports, however, are not available. The U.S. Ambassador in Ankara has denied the reports about his trip to Moscow.

Great Britain:

Labour Minister Bevin has called upon workers in the building industry to erect huge camps and depots for the American ground and air forces, airfields, and harbor installations. This project is to have priority over all public and municipal projects.

The Irish Times estimates the tonnage needed for an invasion of the Continent at 2,000,000 tons which, however, are not available for this purpose. The greatest problem is that of air superiority. Sooner or later, a second front will be established.

Noted British and American newspapers deplore the lack of a unified high command for the West, which results in a lack of the necessary coordination both in armament and strategy.

Concerning the shipping problem, the Daily Mirror states that the Allies share Admiral Fricke's opinion that the battle on the seven seas will be the most decisive one of the war; the Allies are unfortunately not acting accordingly. To counter German submarines only by building new ships is the equivalent of providing the submarines with "sure prey". A special article by Crumley in the Daily Express takes a very serious view of the shipping crisis. The Allied tonnage deficit already amounts to 12,000,000 tons. Any hopes for eliminating the submarine menace are generally considered madness.

These pessimistic statements must be taken with a grain of salt. They consciously serve the purpose of mobilizing all forces for defense. Undoubtedly, the authoritative Allied circles have never ceased to believe that danger arising from the critical shipping situation can be overcome.

India:

The leader of the Moslems issued a declaration condemning the Congress resolution and called upon his followers to stay out of any mass movement.

The domestic situation in India as such is not necessarily confronting the British with an insoluble problem, seeing that they have sufficient military and political forces at their disposal to retain control of the situation. Only the incalculable consequences which would follow active intervention by Japan make the present developments appear more critical than ever before.

Turkey:

A French source reports that the Turco-Syrian frontier, which was closed on 7 Aug., has been reopened.

A report from a Bulgarian source states that the British and U.S. Ambassadors in Ankara have undertaken certain steps with the Turkish Government with regard to the Russian fleet in the Black Sea.

Uruguay:

The Uruguayan Government has lodged with the German Government a protest against the sinking of the steamer MALDONADO and has announced retaliatory measures.

Conference on the Situation with the Chief, Naval Staff

- I. The Italian Admiral at the Naval Staff communicates that in case of an alarm the Italians intend to lay mines with timing device set for 48 hours in the French territorial waters off Cape Bon. The Naval Staff welcomes this intention but will suggest to the Italian Admiralty that the mines be set for a longer period than 48 hours.
- II. The African Panzer Army has been placed directly under the Italian High Command. Thus it is no longer, as heretofore, under the Italian Commander in Chief of the African Forces, General Bastico, who has been promoted to the rank of Marshal of Italy.
- III. The Naval Liaison Officer to the Air Force Operations Staff reports as follows:
- l. The regulation according to which plane crews are to be awarded bonuses payable after the war for sinking large warships is still in force.
- 2. All airfields situated near the coast in the west area are to be developed as bases.
- 3. Daylight raids on the Reich area are made from very high altitudes (6,000 to 10,000 meters). At such altitudes, planes can be located practically only by instruments, seldom by sound, and never by sight.
- The Air Force Operations Staff believes that the heavy air raids carried out by the enemy at night and the nuisance raids made during the daytime are tying up his forces to a very large extent. The fact that heavy raids are being made on the Reich area lead, therefore, to the conclusion that simultaneous landing operations are not intended.
- 15 of the 60 German bombers which flew over Birmingham on the night of 29 Jul. were lost. The crews withdrawn from the East are not yet adequately trained for attacks on the interior of England. The air raids on Birmingham have so far resulted in the loss of an entire bomber group.
- 4. On 4 Aug., effective immediately, the 2nd Group of the 26th Bomber Wing (torpedo planes) was transferred from western France to the area of northern Norway for an attack on convoy PQ 18. The Air Force Operations Staff presumes that in case of poor visibility the British will use parts of their bomber formations for dropping aerial mines.
- IV. The Italian Admiral at the Naval Staff requested authorization for his inspection tour of the Norwegian bases and defense installations. The Naval Staff has set up a schedule for a 9 day tour beginning on 21 Aug. It is planned to make available a warship for the voyage from Trondheim to Narvik. The Chief, Naval Staff agrees.

- V. The Chief, Naval Staff Communications Division reports on antiradar devices to be used on submarines and PT boats operating in the Channel. The Chief, Naval Staff Quartermaster Division will demonstrate these devices, as well as the radar decoy balloons, to the Fuehrer some time soon.
- VI. The Chief, Naval Intelligence Division reports on rumors concerning the Russian Black Sea Fleet, which are suddently appearing. His advice is to distrust the rumors to the effect that the Russian fleet is giving up.

In a Very Restricted Circle:

VII. Report by the Chief, Operations Branch, Naval Staff Operations Division:

l. Fog in the Arctic Ocean has so far prevented our forces from reestablishing contact with convoy PQ 18. The data reported by submarine U "405" cannot be doubted. Group North considers it unlikely that convoy PQ 18 has already passed through the longitude of Spitsbergen. Both the Naval Staff and Group North consider it unlikely that the submarine might have sighted a decoy convoy. Most probably the convoy was badly 'delayed by the fog. Group North considers it very likely that the convoy will pass through the Hinlopen Strait and the Olga Strait. The Group asked the 5th Air Force to carry out the necessary reconnaissance and patrol operations. The increased number of radio messages exchanged between Archangel and Murmansk may indicate the departure of the QP convoy.

Following up a telephone conversation between the Chief of Staff, Naval Staff and the Commanding Admiral, Group North, the latter asked that the following operation under the command of the Admiral, Arctic Ocean, be considered, in case convoy PQ 18 is located east of Bear Island within the range of our destroyers, and no definite information about the positions of its heavy escort forces is available:

- a. The HIPPER and the SCHEER, together with approximately 5 destroyers, would make a thrust through the North Cape area in north-easterly to easterly direction.
- b. The SCHEER would then be dispatched around in back of the convoy for operation "Wunderland".
- c. The HIPPER, together with the destroyers, would search for convoy PQ 18 and attack it in the right half of large quadrant AC, avoiding any serious engagement if possible. The ships would then return to northern Norway. The TIRPITZ, the KOELN, and 2 destroyers would remain in Narvik ready for action.
 - 2. Re: Operation by the SCHEER in the Kara Sea.

On the basis of the evaluation of the Russian direction-finding service in the Kara Sea, Group North directed the Admiral, Arctic Ocean on 2 Aug. to start the first part of the operation in the eastern Barents Sea and in the Kara Sea as soon as possible. The second part is scheduled to be executed after the operation against convoy PQ 18. The code name for the SCHEER mission is "Wunderland". On 7 Aug. Group North communicated to the Admiral, Arctic Ocean the information from the Naval Staff about the Russian convoy from Petropavlovsk which is expected to arrive in the Kara Sea toward the

middle of August. The date for operation "Wunderland" depends on the operation against convoy PQ 18 and on the enemy situation in general. Efforts should be made to execute the operation at a time when the traffic on the northern route and in the Kara Sea is assumed to be at its heaviest. For this reason, if operation "Eispalast" is carried out provision should be made for sending the SCHEER directly from the operations area. If operation "Eispalast" is not carried out, it is planned to send the SCHEER as soon as this becomes evident and a clear picture of the enemy forces is available. The special steam trawlers will not participate in the operation. The Admiral, Arctic Ocean is to return them at once to the Commanding Admiral, Norway. Instead, submarines are to be stationed at the western outlet of the Matochkin Shar and the Kara Strait, if necessary also the Yugor Strait and the northern tip of Novaya Zemlya by 15 Aug., if the situation with regard to convoy PQ 18 is such that the necessary submarines can be spared.

The SCHEER's main task is to attack enemy ships in the Kara Sea. If necessary, the cruiser should withdraw to the west and to the northern route until worthwhile attack targets have been reported. The entire operation is to take 10 to 12 days. Unless some worthwhile target appears, the attacks are to be directed against ships moving through the northern route and the Yugor Strait toward the harbors of eastern and northern Siberia. These attacks should include destruction of the harbor installations in Amderma by gunfire and annihilation of any fishing flotillas met en route. The captain of the cruiser is free to extend the operation as far as the Yenisei estuary.

The moment the enemy notices the SCHEER, the operation should be stopped and the SCHEER should turn back at top speed. The restrictions included in the orders for operation "Roesselsprung" apply also to the operation by the SCHEER. The operational command rests with the Admiral, Arctic Ocean, the tactical command with the captain of the SCHEER. Operation "Wunderland" is to be started after consultation with Group North. The same applies to air reconnaissance and patrol. The Admiral, Arctic Ocean will take care of the fighter protection and close escort on the way to and from the operations area. Group North has requested the 5th Air Force to comply with the requests of the Admiral, Arctic Ocean to the greatest possible extent.

3. A further report by the Chief, Operations Branch, Naval Staff Operations Division deals with plans for a submarine operation off Capetown as recorded in War Diary 7 Aug.

The Chief, Naval Staff expresses his agreement and orders that the necessity to observe complete radio silence be explicitly mentioned.

4. For the report by the Chief, Operations Branch, Naval Staff Operations Division concerning the rendezvous of the auxiliary cruisers "23" and "28" see War Diary 8 and 9 Aug.

The Chief, Naval Staff agrees with the Naval Staff's proposal to award decorations to the prize crews of the auxiliary cruisers as mentioned in Radiogram 1954 to ship "10".

VIII. Failing to recognize the actual conditions, the command of the African Panzer Army informed the Armed Forces High Command Operations Staff that the daily unloading rate in Tobruk is insufficient, implying that the Navy is to be blamed for this situation. As suggested by the Naval Representative on the Armed Forces High Command Operations Staff, the Operations Staff rejected the accusation as unjustified. Actually, the tonnage unloaded in Tobruk exceeds all figures ever reached before, and this fact is due entirely to the energetic intervention of the German Naval Command, Italy.

IX. Commander Junge made a detailed report on his official trip to the Black Sea area which he had undertaken on orders from the Armed Forces High Command Operations Staff. He describes, in particular, the unsatisfactory conditions in the Nikolayev shipyard which call for immediate relief. The present production of this shipyard is absolutely inadequate, due to lack of proper organization and personnel. The effect will make itself felt very keenly once the shortage of tonnage in the Black Sea becomes manifest, and the Navy alone will be blamed.

In this connection, the Chief, Naval Construction Division reports that because of this risk for the Navy, which he too anticipates, a binding agreement was concluded with the Reich Commissioner of Maritime Shipping and with Staatsrat Blohm just 2 days ago, to the effect that the management of the shipyard is to be transferred to the Hermann Goering Werke, which will send a new director there. Since this measure does not suffice to make clear where the responsibility actually lies, the Commander in Chief, Navy orders, in addition, that the Navy completely withdraw from the management of the shipyard; at the same time guarantees must be provided that the orders which the Navy places there are filled. In spite of the existing contract which safeguards the Navy's property rights, the Chief, Naval Construction Division suggests that the shipyard control staff be dissolved and a group of energetic inspectors be considered sufficient. In any case construction and repair work for the Navy in progress at the present time (6 war transports, 3 subchasers, and the remaining vessels of the landing craft construction program) will be completed. Emphasizing the responsibility which the Navy still bears for supplying the war transports, the Commander in Chief, Navy gives his approval to the above proposal.

Unfortunately, the other alternative for overcoming the existing difficulties, namely a thorough sifting of the personnel, which for obvious reasons would be preferable to the Navy, is impracticable because of the deplorable shortage of qualified personnel.

In order to have this problem, as well as the related questions discussed by Commander Junge, settled on the spot, the Commander in Chief, Navy orders that the Chief of the Shipyard Branch, Naval Construction Division, Rear Admiral Kleikamp, be sent immediately to Novorossisk and the Crimea.

Special Items:

I. On 10 Aug. the Commander in Chief, Navy approved Group North's request for placing the Admiral, Arctic Ocean under its command effective immediately.

The Chief, Naval Staff Quartermaster Division approves the draft of the necessary instructions for the Admiral, Arctic Ocean as submitted by Group North.

II. In connection with the reexamination of the problems of poison gas defenses undertaken on orders from the Naval Staff Quartermaster Division (see War Diary 27 Jul.), the Inspector of Naval Ordnance suggests that an inspectorate for chemical warfare be established within the Navy, which would at the same time be in charge of all problems in the fields of smoke screens, camouflage, and fire fighting.

III. According to the communication received from the Naval Liaison Officer to the Army General Staff, the Naval Staff's request for investigation of the chances against light Russian naval forces in the Gulf of Finland (War Diary 17 Jul.) has been transmitted to the Northern Army Group for reply. In its reply of 4 Jul. to an inquiry by the Naval Liaison Officer to the Army General Staff, the Northern Army Group had already given the insufficient number of guns, insufficient ammunition allotments, lack of ground and air reconnaissance, and ice conditions which prevented hits under water as reasons for the unsatisfactory results of artillery attacks on Russian naval forces in Kronstadt and Leningrad. It added that the results obtained by the Air Force in its attacks on these ships were no better than those scored by the artillery. It also mentioned that during the winter the artillery did not receive orders to destroy the enemy fleet, in order to spare naval installations; rather, emphasis was placed on destroying essential industrial installations. The Artillery General with the Commander in Chief, Army believes that the Russian naval forces in the area mentioned can only be attacked if the Navy provides 500 rounds of 28 cm, armor-piercing shells.

The Navy had given up the request to spare naval installations as early as September 1941, but certainly no later than 18 Jan. 1942 (see War Diary 18 Jan. 1942).

IV. According to a communication from the Army General Staff, the Japanese General Staff offered through the Military Attache in Tokyo on 5 Aug. to send a general staff officer and a technical officer with special experience in landing operations by air to Germany, if so desired.

The Japanese General Staff confirmed to the German Military Attache for the first time that the Japanese units in Manchukuo are in fact being considerably reinforced and that the present peaceful relations with the Soviet Union are not expected to last much longer. The best time for a Japanese surprise attack would probably be around the end of August or the beginning of September.

V. An intelligence report from London states that due to the shortage of tonnage the second front cannot be established at present or in the near future. The Swiss News Agency claims to have learned from London that the Axis powers and Japan sank 321 Allied ships totalling 1,846,900 GRT during June 1942.

The Swiss Legation in London has been informed that the large-scale air attacks on Germany must now be restricted since the gasoline which is ready for shipment in America cannot be brought up because of

tanker shortage. Great anxiety is caused by the threat of German submarine warfare. According to reports from Germany, the attempt to destroy the shipyards building submarines in Germany has so far proved unsuccessful. It will be difficult to do this also in the future, since the German submarine bases are too well camouflaged.

VI. In view of the Army preparations for operation "Nordlicht", Group North expects that the Russian Baltic Sea fleet will try to break out and requests for this reason that in case the situation calls for such a measure, the 6th PT Boat Flotilla be temporarily assigned to the Commander, Mine Sweepers, Baltic Sea after engine overhaul and firing practice. Group North furthermore requests that the mine reserves be replenished so that tactical minefields can be laid at once.

Basically the Naval Staff wants the 6th PT Boat Flotilla to operate in the west area. It reserves a decision about a temporary assignment of the flotilla to the Baltic Sea, if the situation so requires, until the vessels are again ready for action after completion of engine overhaul and torpedo firing practice.

As for replenishing the mine reserve supplies, the Naval Staff will issue the necessary directives.

VII. Should the TIRPITZ and the HIPPER be unable to enter the ship-yard simultaneously for the period from November till January, the Naval Staff agrees, as suggested by the Fleet Command, to have the TIRPITZ enter the shipyard first toward the end of October and the HIPPER subsequently. The Naval Staff Quartermaster Division is directed to fix the date on which the TIRPITZ should enter the shipyard independent of the transfer of the SCHARNHORST. The Naval Staff is willing to risk having no battleship in Norway temporarily in autumn in case the transfer of the SCHARNHORST is delayed, if thereby it is possible to complete the TIRPITZ by the middle of March 1943 so that she can be transferred to Norway while the nights are still long. Starting early in September preparations are to be made for a 6 weeks engine overhaul of the SCHEER.

For copies of the Fleet Command's proposal to this effect and of the directive of the Naval Staff Operations Division see 1/Skl I op 19335/42 Gkdos. in War Diary, Part B, Vol. V.

Situation 10 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

No reports of interest have been received.

2. Own Situation:

Ship "10" is being irformed that the prize crews of the HERBORG and the NANKIN began their return voyage with the TANNENFELS on 8 Aug. Each prize crew is being awarded one Iron Cross, First Class, and 70 to 100% of their members will receive the Iron Cross, Second Class. The captain of the auxiliary cruiser is to distribute

the decorations. For details see Radiogram 1954.

The German Naval Command, Italy reported that the Italian tankers ARCOLA and TAIGETE were at 6° 41' N, 26° 59' W on 8 Aug. at noon. The Commanding Admiral, Submarines has been informed accordingly.

II. Situation West Area

1. Enemy Situation:

No reports of special interest have been received.

2. Own Situation:

Atlantic Coast:

3 ground mines were swept in the Gironde estuary. 1 mine exploded by itself.

The supply ship UCKERMARK departed from La Pallice on 9 Aug. at 2200 as scheduled, and the escorting vessels left her on 10 Aug. at 0500. At 1940 the ship reported that she is returning to Bordeaux. Group West has ordered torpedo boats to bring her in. Since no indications can be obtained from radio intelligence or air reconnaissance, the reason why the ship turned back remains obscure. The Group assumes engine trouble.

Channel Coast:

Nothing to report.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance failed to yield any results.

Own Situation:

5 ground mines were swept on convoy routes north of the Frisian Islands. Convoy operations proceeded according to plan. Bad weather restricted mine-sweeping operations. Barrage "SW 102" could not be laid because of unfavorable weather.

Special Item:

The Post Minister has expressed to the Armed Forces High Command Operations Staff his special recognition for the manner in which the cable between Arndal and Newbiggin was cut on 3 Jul. The

performance of mine sweeper "1303" was excellent. Evidently, the cable was cut in order to break off an illegal communication line between Norway and England. The Post Minister believes that for technical reasons it is impossible that there could be a branch line west of the spot where the cable was cut.

2. Norway, Arctic Ocean:

Enemy Situation:

Reconnaissance searching for convoy PQ 18 was unsuccessful. Air reconnaissance reports that the Olga Strait is no longer navigable between 190 and 250 E.

Own Situation:

On 8 Aug. the Russian battery on the Rybachi Peninsula unsuccessfully fired on 2 landing craft en route from Petsamo to Kirkenes. On 9 Aug. enemy planes raided a convoy at the latitude of the Ko Fjord and patrol vessels off Svaerholthavet. Patrol vessel "6163" was damaged by an aerial torpedo but was towed into Honnings-vaag. In the northern and western coast areas, enemy planes were reported flying daylight missions over the areas of Trondheim and Stavanger on 9 Aug.

The transfer of the LUETZOW has started as scheduled. According to the directive of Group North, the radio communication intercept detachment of the LUETZOW will be embarked on the mine layer ULM, beginning 13 Aug., to participate in the operation in the Novaya Zemlya area.

No incidents were reported by the Admiral, Arctic Ocean.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

No incidents occurred in the area of the Commanding Admiral, Defenses, Baltic Sea.

On 9 Aug. the minefields "Seeigel XXIV" and "Seeigel XXV" were laid in the Gulf of Finland according to plan. A 300 m. wide channel has been swept in UMB minefield "Nashorn 12". Convoy operations proceeded as planned.

The Army High Command urgently requested the Commanding Admiral, Baltic Countries to release Army Coastal Artillery 929 and Battery 515, since only very few guns are available for operation "Nord-licht".

The Naval Staff Quartermaster Division will attend to the matter.

V. Submarine Warfare

1. Enemy Situation:

Reconnaissance activity over the entire Bay of Biscay was very lively. 3 submarine sighting reports were intercepted. A British vessel was located 320 miles west of Brest.

2. Own Situation:

Submarine U "255" reported from the Arctic Ocean that she has taken up her patrol position at the entrance to the Hinlopen Strait as ordered. In general, the Naval Staff considers it inadvisable to send such reports.

In the North Atlantic, contact with the eastbound convoy was reestablished at 0630 and was maintained, with some interruptions, throughout the day. A number of successes were reported, which are particularly gratifying in view of the fact that our submarines are almost exclusively manned by new commanders. Submarine U "704" reported that she has torpedoed a steamer of the ORMONDE class (14,982 GRT). Submarine U "597" reported 3 hits on two 8,000 GRT steamers in the central column of the convoy. Submarine U "438" reports hitting a 5,000 GRT steamer and probably sinking a 6,000 GRT steamer which was not moving. Submarine U "660" reports that she torpedoed 4 steamers but was driven off and could not observe their sinking. The Commanding Admiral, Submarines has ordered the operation to be continued.

No successes were reported from the American coast.

In the West Indies area submarine U "108" sank the Norwegian steamer BRENAS (2,687 GRT) in quadrant EO 2276 and took the captain aboard. Submarine U "510" sank a 14,000 GRT tanker in quadrant ED 3927.

Of the submarine group operating in the South Atlantic, submarine U "752" reports that in quadrant ET 3383 she sank the former German steamer KASSEL proceeding under the Dutch flag with a cargo of planes and locomotives from New York to Alexandria. A U.S. cruiser and destroyers had stopped the steamer in quadrant ET 4570.

For further reports see supplement to the submarine situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

On the night of 10 Aug. a few of our planes operated over Colchester and Hastings. On the night of 9 Aug. our planes raided Brighton, Liverpool, Manchester, and Newcastle.

Of the 20 enemy incursions during the night of 10 Aug., 15 were over the Reich territory. No bombs were dropped. The attacks were concentrated on the Baltic Sea entrances and Kiel Bay. It is presumed that mines were dropped.

2. Mediterranean Theater:

For reconnaissance results see Enemy Situation, Mediterranean.

Fighters and bombers attacked airfields on Malta. In Africa, the number of fighters operating in the area of the Africa Corps was increased.

3. Eastern Front:

Reconnaissance planes were active over the Volga River, the Caspian Sea, and the Arctic Ocean. Otherwise there was nothing to report.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

According to an intelligence report from Ceuta, on the night of 9 Aug. a convoy of 37 vessels, among them I aircraft carrier, 3 cruisers, 10 destroyers, 3 gunboats, and 19 freighters, passed through the Strait of Gibraltar in easterly direction. On the morning of 10 Aug. the ARGUS with 4 destroyers entered Gibraltar from the west. At 1400 the ARGUS was still located in Gibraltar. Fog prevented any further observations. Around 1900, air reconnaissance spotted an eastbound convoy composed of 2 battleships, 2 aircraft carriers, 2 cruisers, 14 destroyers, and 12 steamers 55 miles north-northeast of Oran. Evidently this is the same convoy that was sighted from Ceuta the night before. The size of this eastbound convoy makes it appear doubtful that it involves merely a supply operation, possibly including plane shipments for Malta. It may be that this is the convoy which, according to an intelligence report, was composed of 37 ships carrying 25,000 men for Egypt and departed from Portrush for Gibraltar on 25 Jul., to proceed from there through the Mediterranean. (See War Diary 28 Jul.)

If the report is correct, it would offer an affirmative answer to the Naval Staff's question as to whether the British would actually dare to let such a valuable convoy cross the whole length of the Mediterranean.

In the central Mediterranean, air reconnaissance spotted lively submarine activity. 4 submarines were reported sighted. Radio intelligence observed westbound convoy movements in the eastern Mediterranean.

2. Own Situation, Mediterranean:

On 7 Aug. the Admiral, German Naval Command, Italy left with the Commanding General, Armed Forces, South by plane for Africa where he will presumably stay 3 days for conferences with the Panzer Army and the Italian command posts.

On 11 Aug. the North African Operations Headquarters of the German Naval Command, Italy will be transferred to Tobruk for the purpose of better control of coastal shipping and better liaison with the Italian Navy. (See Telegram 0230.)

On 9 Aug. an Italian landing craft sank in the roadstead of Tobruk as a result of a mine explosion.

In the night of 8 Aug. 50 aerial mines (not 5 as previously reported) were dropped in Marsa Matruh. The Naval Staff has requested the German Naval Command, Italy to report immediately on the firing devices with which the mines found in that area are equipped. The chances to have the mines swept by mine-sweeping planes appear at present limited and depend on the results of the investigation of the firing devices. (See Telegram 1717.)

On 19 May the Naval Staff had asked the German Naval Command, Italy to clarify the following points:

a. Is it certain that the Italians will provide their share of the mines in time to ensure laying of the east-west wall in the Aegean Sea?

The Naval Staff considers this to be a prerequisite for our supplying the requested additional 1,200 UMA mines.

b. The German Naval Command, Italy is requested to confirm that in its opinion laying of the east-west wall in the Aegean Sea will not affect unfavorably the mine operations in the Strait of Sicily, off Malta, off Benghazi, and farther to the east, which the Naval Staff considers more urgent.

In the meantime, the Naval Staff has granted the request of Group South that the UMA and EMC mines which are available in the Aegean area for submarine warfare be used for the first rows of the minefields between the islands. The Italian mines will then be used to reinforce and deepen the minefields.

On 14 Jul. the German Naval Command, Italy, after repeated requests, finally transmitted the views of the Italian Admiralty presenting an over-all plan for the use of Italian mines. This plan provides that, except for the mines and nets which are to be laid in the Strait of Sicily, all other mines and nets will gradually be made ready for use in the planned mine operation in the northern Aegean, and will be placed at the disposal of the Admiral, Aegean Sea, who has command of the operation.

On 28 Jul. the Naval Staff, being particularly anxious to make sure that the operation in the Strait of Sicily is not unfavorably affected, asked the German Naval Command, Italy to state its views on this question once more. On 6 Aug. the German Naval Command, Italy replied that neither the mines used in the Aegean Sea nor the withdrawal of minelaying vessels for operations in that area will jeopardize the operation in the Strait of Sicily. On 8 Aug. the German Naval Command, Italy stated in a supplementary report that the Italian Admiralty repeatedly gave the lack of fuel as the reason for not laying minefields already planned, e.g., off Tobruk and Benghazi. So far, it has not been possible to gain a definite promise from the Italians that the operation in the Strait of Sicily will be carried out promptly. The German Naval Command, Italy is continuing its

efforts in this direction.

3. Transport of Supplies to North Africa:

Transport of supplies from Italy and Greece to North Africa and along the North African coast proceeded according to plan without incidents.

According to a list compiled by the Naval Staff Quartermaster Division, Shipping and Transport Branch, out of the total of 45 German ships (166,957 GRT) engaged in the transport of supplies to North Africa, 34 vessels totalling 138,476 GRT have been lost and 3 vessels totalling 4,417 GRT damaged, thus leaving only 8 ships totalling about 24,000 GRT in sailing condition.

4. Area Naval Group South:

Aegean Sea:

Submarine chase brought no success. On 6 Aug. another auxiliary sailing vessel, carrying 112 Greek workers for Crete, is said to have been sunk off the eastern coast of the Peloponnesos.

Black Sea:

Enemy Situation:

Air reconnaissance observed intense loading activity in Tuapse. I tanker, 14 steamers, 8 coastal vessels, and 13 escort vessels were sighted in that harbor. On the evening of 8 Aug. a submarine was located east of Ivanbaba. It is suspected that mines were laid between Cape Ilich and the Ivanbaba Bay.

Own Situation:

In the night of 9 Aug. 3 landing craft and 3 motor mine sweepers passed through the Kerch Strait northward without incident. 16 landing craft assigned to operation "Bluecher" and 4 engaged in the transport of supplies to the Sea of Azov are now in that area. On 11 Aug. one of these 4 barges will join the "Bluecher" group.

During the torpedo operation of the 1st PT Boat Flotilla off Tuapse during the night of 9 Aug. PT boat S "102" sank a southeast-bound steamer of at least 4,000 GRT carrying ammunition and troops. Escorting destroyers dropped depth charges, thus assuming a submarine attack. One of the destroyers was unsuccessfully torpedoed. No contact was made with the enemy off Novorossisk.

In view of the fact that 4 of the boats of the 1st PT Boat Flotilla are due to have their engines replaced, Group South endorses as urgent the request of the Admiral, Black Sea for prompt dispatch of PT boat engines. The matter will be attended to by the Naval Staff Quartermaster Division and the Naval Construction Division.

5. Special Item:

In his reply to the Commanding General, Armed Forces, South the Commanding Admiral, Group South declares that it is an overstatement to say that lack of air cover was the sole cause for the loss of the WACHTFELS, since air escort can never prevent a submarine attack. The Commanding Admiral, Group South asks the Commanding General, Armed Forces, South to postpone any final conclusions until the results of the court-martial investigation are available. Group South has informed the Naval Staff and through it the Armed Forces High Command to this effect. (See Telegram 1200.)

VIII. Situation East Asia

The German Admiral in Tokyo has transmitted a report of the Chief of the Japanese Naval Staff about the engagements in the Solomons.

- l. On 6 Aug. bad weather prevented air reconnaissance. On the morning of 7 Aug. enemy forces consisting of 9 cruisers, 11 destroyers, and 30 transports emerged unexpectedly off Tulagi on Florida Island. The appearance of enemy fighters indicated that at the same time a force of at least 1 aircraft carrier and 1 or 2 auxiliary aircraft carriers was at some point beyond the range of Japanese reconnaissance.
- 2. Enemy troops landed on Florida Island, where 300 Japanese naval troops are stationed, and on Guadalcanal, where there are 600 Japanese naval troops, in addition to 2000 Japanese workers engaged in building an airfield.
- 3. On 7 Aug. some 25 Japanese naval land-based planes carrying bombs took off from Rabaul under strong fighter escort to attack the enemy force. Over Tulagi heavy fighting developed between the Japanese planes and some 60 enemy carrier-based fighters, of which the Japanese supposedly shot down 52. Bombing was hampered by the aerial combat and clouds, with the result that only 2 destroyers were damaged by bombs. The fighters refueled at Buka Island on their return flight.
- 4. On 8 Aug. Japanese planes took off from Rabaul and repeatedly torpedoed enemy vessels riding at anchor.
- Result: 2 heavy cruisers, 2 light cruisers, and 9 transports sunk, 2 heavy cruisers and 2 transports left burning.
- 5. In the night of 8 Aug. the Japanese sent their naval forces into action. The forces consisted of 5 heavy and 2 light cruisers, and 1 destroyer.
- Result: 4 destroyers sunk, 2 cruisers set on fire. 2 Japanese cruisers were slightly damaged.
- 6. On the morning of 9 Aug. air reconnaissance located the following vessels off Tulagi: 1 cruiser, 2 light cruisers or destroyers, 7 destroyers or mine sweepers, and 19 transports. Somewhat farther away there were 6 destroyers, and 100 miles south of Tulagi 1 enemy battleship or heavy cruiser which was sunk by an aerial torpedo.

- 7. Another air attack against the enemy forces still off Tulagi was started on the morning of 10 Aug., but meanwhile the enemy had disappeared.
- 8. The situation on Florida Island and Guadalcanal is unclear. Defensive combat is till in progress.
- 9. Exchange of radio messages intercepted on 10 Aug. indicates that strong enemy forces are at sea southeast of the Solomon Islands. However, they remain outside the Japanese reconnaissance range.
- 10. The actual scope of the American offensive plan is not clear. From the size of the force sent into action it may be concluded that, in addition to the Solomon Islands, the enemy intends to attack the Bismarck Archipelago.
- 11. The actual number of vessels sunk differs from the figures which were published; this difference is probably due to the fact that ships which were at first seen burning and were later hit for a second time were counted twice.
- 12. A simultaneous attack was launched by U.S. naval forces consisting of 4 cruisers, 10 destroyers, and 2 more warships on Kiska (Aleutians) on 8 Aug. The attack was confined to a 30 minute bombardment, after which the enemy ships turned away and disappeared in the fog. Evidently no landing was planned. The enemy lost 1 ship-borne reconnaissance plane. The damage caused is slight.
- The U.S. Navy Department reports from the South Pacific that the offensive operations against the Japanese forces on the Solomon Islands are being continued. The report states that the American forces met with rather strong resistance and that it is still too early to make known losses on either side.

According to a report from the Military Attache in Bangkok, the Japanese intend to utilize their combat experience in China in the event of a future invasion in India by employing only small forces, causing confusion by quick, deep thrusts, and instigating uprisings. The time for this action will be determined by military developments in the Middle East. An air offensive in which major forces are employed cannot be launched before November. It is difficult to make a sufficient number of troop transports available. Possession of Ceylon as a military and naval base is considered important.

Enemy planes attacking Amboina allegedly damaged a Japanese cruiser. The Japanese have occupied the city and airfield of Kokoda on New Guinea.

According to information from Japanese sources in Bangkok, the Japanese offensive against Australia has been postponed. It is planned to encircle that continent by a gradual occupation of further archipelagos, and to disrupt the enemy's supply lines.

At the present time, large-scale operations are being prepared to be launched from the southwestern Pacific against Ceylon, India, Madagascar, and South Africa.

IX. Army Situation

1. Russian Front:

Army Group A:

Our troops advancing toward the lower Kuban River have reached the area of Slavyansk. Enemy groups remaining in the area east of Maikop are attempting to break through to the east and southeast. Motorized forces are pushing forward from Mostovoye west toward the Byelaya River. Other troops are advancing on both sides of the Manych River in southeasterly direction.

Army Group B:

Tightening of the pocket west of Kalach continues. The points of penetration near Svoboda were mopped up. North of Voronezh armored enemy forces penetrated our lines. Counterattacks are in progress.

Central Army Group:

Fighting at the point of penetration near Rzhev continues. Our troops have so far failed to close the gap.

Northern Army Group:

The enemy renewed his attacks on the same points as during the last few days without achieving any success.

2. Finnish Front:

No noteworthy fighting was reported.

3. North Africa:

So far, no report has been received.

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Items of Political Importance

The public continues to show great interest in the Moscow conferences. American sources observe that the desperate situation on the Eastern Front is more dangerous for Great Britain than for the U.S.S.R. The latter is relatively safe behind the Ural mountains, whereas Britain will have to face the whole impact of the concentrated German power turned against her. The question in Moscow is not whether but when a second front is to be established.

Portuguese naval circles believe that lack of tonnage will prevent the British from making a landing attempt in Portugal.

The Central American governments intend to protest at Washington in connection with the announced complete suspension of ship traffic from North America to Central American harbors. A news agency reports that the U.S. Department of State has concluded an agreement with the Central American countries for construction of a 1,000 km. transcontinental highway.

India:

Due to the energetic measures on the part of the British Indian Government, the Congress resolution has so far failed to produce any serious threat to the internal political situation. For reasons of propaganda, the German press tries to prove the opposite.

Spain:

The U.S. Ambassador in Madrid stated in a speech in Barcelona that everywhere in Spain he has found willingness to cooperate with the U.S.A.

Conference on the Situation with the Chief, Naval Staff

I. For a newspaper photo of PT boat S "38" flying the British flag, captured by the British in the Channel on 20 Nov. 1940 (see War Diary 20 Nov. 1940), see War Diary, Part B, Vol. V.

II. Report by the Chief, Naval Construction Division:

1. During the operation of the KOELN it became evident that the cables of the cruiser are in such bad condition that the ship is hampered thereby. It was known that the cables were in poor condition, but it was hoped that the minor improvements made while the ship was being repaired would suffice.

The Chief, Naval Staff finds this very unfortunate. The Naval Staff Quartermaster Division will take care of the matter.

2. The "Hansa" program can not get under way because there is no rolled iron available. The Reich Commissioner of Maritime Shipping has suggested that the Navy make 7,500 tons of rolled iron available for the program.

During the current quarter the Navy has 50,000 tons of rolled iron at its disposal, of which 25,000 tons have already been milled and 18,000

tons are earmarked for submarines; these cannot be touched. A decision must be made about the remaining 7,000 tons.

The Chief, Naval Construction Division states that there is no way of determining now which items would be affected by giving up those 7,000 tons for the benefit of the "Hansa" program. There are certain reserves with which the gap could partly be overcome, but delays will be inevitable.

On the other hand, the Chief, Naval Construction Division believes that the Navy will not be able to escape a decision by the Fuehrer unless it releases the 7,000 tons. The Chief, Naval Ordnance Division observes that the naval offices have repeatedly been reproached for hoarding supplies, and in his opinion the request should be granted.

The Chief of Staff, Naval Staff and the Chief, Operations Branch, Naval Staff Operations Division both declare that the expected delays will affect just those vessels which are urgently needed for submarine operations.

The Deputy Chief, Naval Staff Quartermaster Division suggests a compromise solution by releasing possibly 3,000 tons.

The Chief, Naval Construction Division points out that even this would bring about a Fuehrer decision.

On the assumption that the Navy has some reserve supplies, the Commander in Chief, Navy decides that the 7,000 tons are to be released.

III. Report by the Chief, Naval Ordnance Division:

- pressed fears that the defense installations on a coastal sector near Cape Gris Nez which is particularly well suited for enemy tank landings are not adequate, and has stated that he will report on the matter to the Fuehrer who is the responsible authority in this particular case. The Naval Ordnance Division is investigating whether the captured Polish 7.5 cm guns could be made available for reinforcing the anti-tank defenses of the naval battery in the mentioned sector.
- 2. The original smooth cooperation between Army and Navy headquarters in the coastal defense program entrusted to the Army by a Fuehrer directive is becoming more and more difficult. The Chief, Naval Ordnance Division believes that these difficulties have their origin in the tendency on the part of subordinate Army offices to bring the naval fortification construction under their control too. It is intended to obtain a clarification from General Jacob of the Engineers.
- 3. The demand for mobile coastal artillery, raised on the occasion of the inspection tour of the Commander in Chief, Navy to the west area, is being considered. It is planned to use heavy caterpillar guns. To avoid duplication, the Army and the Navy have divided development of the gun calibers in question. The Navy is working on 28 cm. guns.

IV. Report by the Chief, Naval Staff Intelligence Division:

Reports from Moscow are still too incomplete to permit a clear evaluation of the progress of negotiations. The events around the Solomon Islands are bound to create a strange impression in Moscow, inasmuch as the Americans are carrying out large-scale operations involving heavy losses in the Pacific while the Russians are clamoring desperately for a second front in Europe. Admiral King has issued a communique concerning the developments off the Solomon Islands. For details see Situation East Asia.

Basing his report on data from the Army General Staff, the Chief, Naval Intelligence Division discusses the economic importance of the Caucasus, the road and traffic situation, and population problems.

V. The Chief, Naval Staff asks the Deputy Chief, Naval Staff Quartermaster Division whether the request of the Admiral, Arctic Ocean for additional 10.5 cm. guns to be emplaced at Agdenes and Hysnes (Trondheim Fjord) against PT boats penetrating into the fjord is being fulfilled. The Naval Staff Quartermaster Division will investigate the matter.

Special Items:

I. On 9 and 10 Aug. the Admiral, Arctic Ocean reported on his plans for operation "Wunderland" (see War Diary 10 Aug.) based on instructions from Group North. In its first stage, the operation will be aimed at intercepting all convoys and unescorted vessels on the western half of the Siberian route. The operation can be extended to the Yenisei River by a thrust up to Dickson Island. Group North has approved these measures. For the operations plan of the Admiral, Arctic Ocean and the stand of Group North see 1/Skl 1551 and 1557/42 Gkdos. Chefs. in File "Operation SCHEER in the Kara Sea in summer 1942".

The Air Force, Operations Staff was notified of operation "Wunder-land" and of the reconnaissance and escort missions requested of the 5th Air Force via Telegram 1/Skl I op 1556/42 Gkdos. Chefs. The Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters was informed for information of the Fuehrer via Telegram 1/Skl I op 1558/42 Gkdos. Chefs. (See File).

- II. The Naval Staff Quartermaster Division has agreed to the organizational changes suggested by the Chief, Naval Construction Division at the conference on the situation with the Commander in Chief, Navy on 10 Aug. (see War Diary 10 Aug.) namely, that the shipyard control staff in Nikolayev be dissolved and replaced by inspectors, provided the following projects are carried out as promised by the Chief, Naval Construction Division:
- 1. Immediate construction of 3 subchasers and 6 war transports.
- 2. Completion of necessary repairs on warships in the Black Sea.
- 3. A guarantee to the effect that later there will be a possibility of building a navy yard.

Shipyard personnel released from Nikolayev is to be added to the Navy plants which are working efficiently in Mariupol, Kherson, Feodosiya, and other places.

III. According to a report from the Naval Staff Quartermaster Division, Shipping and Transport Branch, 85 ships totalling 254,684 GRT, with a loading capacity of 350,087 tons, have been offered to the Reich Commissioner of Maritime Shipping. Of these, 23 ships totalling 87,350 GRT, with a loading capacity of 126,990 tons, have already been handed over to the shipping companies.

The 85 ships placed at the disposal of the Reich Commissioner of Maritime Shipping include all Norway ships and all vessels used in distributing and bringing up supplies, as well as all the dispensable troop transports. Ships belonging to the navy yards, arsenals, and commissary offices will be handed over shortly.

- IV. As learned by the Naval Staff Operations Division, the destroyer in the Grimsoe area scraped bottom on a rocky ridge in the fairway, which is only a few hundred meters long, is not charted, and was not known before. The Naval Staff Operations Division requests the Naval Staff Quartermaster Division to do everything in its power to prevent repetition of such accidents.
- V. The Naval Staff Operations Division transmits to the Naval Staff Quartermaster Division its views on transferring shipyards to the east because of danger from air raids, requesting that this idea be followed up, and suggestions be worked out with the Naval Construction Division for measures to cope with this situation.

For copy of the instruction see 1/Skl I a 19218/42 Gkdos. in War Diary, Part B, Vol. V.

Situation 11 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

There is nothing to report.

2. Own Situation:

The Japanese Navy has requested the German Admiral in Tokyo to have all prisoners debark in Batavia in the future, with the exception of those needed in Tokyo for questioning. German ship commands should get in touch with the naval commander in Batavia. Secrecy is assured.

The Naval Attache in Tokyo is requested to indicate immediately the ports of departure and destination, as well as the cargoes, of the HERBORG and the MADRONO, so that the prize court proceedings can be completed.

The Naval Attache in Tokyo is further requested to state immediately the date on which the TANNENFELS will reach point "Lilie".

Via Radiogram 1959 all vessels in foreign waters are informed about the sinking of the Dutch steamer, the former German KASSEL, in quadrant ET 73 and about prisoner statements that the steamer was stopped by U.S. cruisers and destroyers in quadrant ET 4570.

A report on the enemy situation is being sent out via Radiograms 0211 and 2225.

II. Situation West Area

1. Enemy Situation:

Photographic reconnaissance shows 2 destroyers, 1 corvette, 6 steamers, and 40 small vessels in Cowes. 2 cruisers, 7 destroyers, 19 mine sweepers, 10 PT boats, some 50,000 to 60,000 GRT of merchant tonnage, 9 ocean-going tugs, approximately 120 tow barges and 80 small vessels were located in Portsmouth. 160 to 170 vessels were located in the upper Chichester Canal near Birmingham, 50 in Adurr Firth, 40 to 50 off Southwick. 1 corvette, 19 motor mine sweepers, 5 PT boats, and 40 small vessels were at Newhaven. No basic changes as compared with previous findings have occurred, according to reconnaissance photographs. As before, the landing vessels are left in the harbors without any camouflage. No movements of these vessels have been observed.

2. Own Situation:

Atlantic Coast:

At 0730, the 3rd Torpedo Boat Flotilla met the supply ship UCKERWARK in quadrant BF 9917.

Channel Coast:

No incidents were reported.

Special Item:

The Permanent Representative of the Commander in Chief, Navy reports from the Fuehrer Headquarters that the Fuehrer intends to have 15,000 concrete emplacements built for the defense of the west area. These will require about 200,000 men. The purpose is to maintain the defensive preparedness of these sectors against enemy landings even in case of heavy air raids. The Naval Staff is to establish the order in which the development of the harbor defense is to be undertaken. The Naval Staff Operations Division is of the opinion that the Naval Staff can do this only if projects already under construction are unaffected by this measure. Groups North and West are requested to submit priority lists for their respective areas not later than on the morning of 12 Aug. For copy of the order see 1/Skl I op 19630/42 Gkdos. in War Diary, Part C, Vol. X.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

In the evening air reconnaissance spotted a northbound convoy of 19 ships off Lowestoft. British air reconnaissance over the North Sea was not very active.

Own Situation:

Bad weather partly interrupted convoy operations. Patrol positions were not occupied. Except for a few ground mines swept, no incidents were reported.

2. Norway, Arctic Ocean:

Enemy Situation:

Convoy PQ 18 was not intercepted today either. A submarine reported weak sound location in quadrant AB 3298 at 1740. The submarine assumes the presence of a destroyer or a patrol vessel. A press report from Washington states that a convoy with materiel has safely arrived in a harbor of northern Russia.

This report seems to be meant for deceptive purposes since it does not contain any details.

Own Situation:

On 10 and 11 Aug. numerous single enemy planes were active over the northern and western coasts of Norway. Convoy operations proceeded as scheduled, without incident.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to a Finnish report, Russian forces are sweeping mines in the fairway north of Kronstadt. The 4 destroyers reported in Kronstadt belong to the STOROSHEVOY class.

2. Own Situation:

3 ground mines were swept in the Baltic Sea entrances.

The transfer of the LUETZOW under escort of forces of the Commanding Admiral, Defenses, Baltic Sea is proceeding according to plan. At 1930 the vessels were at the latitude of Copenhagen. The LUETZOW reports limited operational readiness. Her maximum continuous speed is 24 knots.

In the night of 10 Aug. some 20 enemy planes flew over northern Schleswig and the Danish Islands. Aerial mines were probably dropped on shipping routes in the Kiel Bay and in the Baltic Sea entrances. No fighter successes were reported. For details see Telegram 0720.

Minefields "Seeigel XXVI" and "Seeigel XXVIII" in the Gulf of Finland have been completed according to plan.

Group North interprets the lively mine-sweeping activity in the Kronstadt Bay as an indication that the enemy's ships are ready to sail. Group North is of the opinion that Russian naval warfare has taken on a more offensive character as compared to last year in spite of less freedom of movement. In this connection, Group North refers to the Russian break through the Vigrund minefield with the help of long-range fighters. Since effective support of our naval forces by planes depends on the situation at the Northern Army Group, and since the Finnish PT boats are old, can be used only to a limited extent, and are often out of commission, Group North renews its request for withdrawal of small coastal mine vessels and Italian subchasers from Lake Ladoga. The present assignment of these vessels to coastal patrol service does not utilize their qualities as offensive weapons and results in a waste of valuable engine hours. The strong armed "Faehre Ost" force affords better protection against a Russian landing in Lake Ladoga than these vessels. The vessels can only be transferred singly. During this transfer, which will take at least 3 weeks, the "Faehre Ost" force can be made fully ready for action. Group North adds that it is making tentative preparations for the temporary transfer of the 6th PT Boat Flotilla, about which the Naval Staff reserved decision. For copy of the corresponding directives of Group North to the Commander, PT Boats and the Commander, Mine Sweepers, Baltic Sea see Telegram 1548. The main base for the PT Boat Flotilla could be Reval or Helsinki. The decision is to be made by the Commander, Mine Sweepers, Baltic Sea, in agreement with the Naval Liaison Staff, Finland and the Commanding Admiral, Baltic Countries.

V. Submarine Warfare

1. Enemy Situation:

Reconnaissance planes were very active over the Bay of Biscay. An unsuccessful depth charge attack was made on an inbound submarine 140 miles north of Cape Ortegal.

2. Own Situation:

A BV 138 plane is scheduled to make an attempt at refueling submarine U "252" off the Olga Strait on 12 Aug.

Operations against the inbound convoy in the North Atlantic were broken off. Although unfavorable weather conditions and strong naval and air escorts made the operation extremely difficult, the results are quite satisfactory. Unfortunately, 2 or 3 boats are presumed to be lost (submarines U "210", "379", and probably "335").

In connection with the operation against ship traffic between England and America, Group "Loss", consisting of 11 submarines, will take up a patrol line from quadrants AL 1955 to AL 8165. Starting with 1200 on 19 Aug., the submarines are to observe radio silence, except for tactical messages. No successes have been reported by submarines operating off the American coast and the West Indies.

Of the submarines in the South Atlantic, submarine U "130" reports sinking the tanker MIRLO (7,455 GRT) in quadrant ES 5198. Submarine U "109" reports that she sank the tanker VIMEIRA (5,728 GRT) and took the captain aboard.

The disposition of submarines in the western Mediterranean in accordance with the Naval Staff directive has produced a first-rate result. Submarine U "73" (Lieutenant Rosenbaum) scored 4 hits on the aircraft carrier EAGLE proceeding in an eastbound force in quadrant CH 9118. To judge from sinking sounds, the ship must have been sunk.

In the eastern Mediterranean, submarine U "83" sighted 4 cruisers and 10 destroyers on a westerly course in quadrant CP 5424. An attack by the submarine was unsuccessful. For further reports see supplement to the submarine situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

During the day our planes carried out reconnaissance flights and raids on towns in England. Strong forces were employed in night raids on Eastbourne, Wexhill, and Derby. 165 enemy incursions over German-controlled territory, 100 of which were over the Reich area, where ll planes were shot down. The main target was Mainz. For details of the heavy damage caused in Mainz and Wiesbaden see daily situation report.

80 to 100 demolition bombs were dropped on Le Havre. No damage has as yet been reported.

2. Mediterranean Theater:

Throughout the day contact was maintained with the strong enemy force of aircraft carriers, battleships, cruisers, destroyers, and steamers, proceeding eastward in the western Mediterranean. Bombers and torpedo planes were sent into action. According to a preliminary report, 2 aircraft carriers and 1 cruiser were hit by aerial torpedoes or bombs. Another warship was set on fire by bombs. A steamer was hit by an aerial torpedo.

Fighter attacks on Malta failed to produce any results of importance. Fighter-bombers of the Air Command, Africa scored well-placed hits during their attack north of Alamein.

3. <u>Eastern Front</u>:

100 enemy planes were shot down on 10 Aug. and 60 on 11 Aug. Reconnaissance activity is reported from the Black Sea. For results see Enemy Situation, Black Sea.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The ARGUS was located in Gibraltar. At 0800 our air

reconnaissance sighted the enemy force which had been located on 10 Aug. It was heading east probably in 3 groups. An advance escort group consisting of 1 carrier, 4 cruisers, 7 destroyers, and 1 steamer was located some 72 miles north of Algiers at 1245. The main group of 3 battleships, probably including the RODNEY and the NELSON, 3 aircraft carriers, probably including the WASP, some 20 to 25 cruisers and destroyers, and about 20 steamers was proceeding west of the advance escort group. An escort group of 6 destroyers proceeding south of the main group was located some 75 miles northwest of Algiers.

Interpretation of photographs showed the major part of the force, i.e., 2 battleships, 3 aircraft carriers, including the FURIOUS and the WASP, 4 light cruisers, 11 destroyers, 10 steamers, and 1 tanker 71 miles north of Algiers at 1425. Proceeding on a different route were 1 aircraft carrier, 1 vessel presumed to be a battleship, 2 cruisers, 15 destroyers, and 8 steamers. It was in this group that the aircraft carrier EAGLE was probably sunk at 1315.

At 1807 the apparently reunited force of 3 carriers, 2 battleships, 6 cruisers, 20 destroyers, and 21 steamers was 86 miles north-northeast of Algiers.

At 1955 an aircraft carrier with 5 cruisers or destroyers and 1 steamer were reported proceeding on a southwesterly course 77 miles north of Algiers. This was evidently a damaged aircraft carrier which had turned back under escort. The major part of the force, i.e. 40 to 50 vessels, was seen for the last time at 2120 while proceeding at 15 knots on a 70° course 114 miles northeast of Algiers.

In the night of 10 Aug. radio intelligence intercepted messages from enemy cruisers about 150 miles east-southeast of Malta. Reconnaissance carried out in the morning was unable to determine whether the vessels had entered Valletta, since the harbor was at that time partly covered by a smoke screen. Consequently, the radio intelligence statement to this effect cannot be considered reliable.

The eastern Mediterranean, too, was the scene of lively activity. A force of 4 cruisers and 10 destroyers was proceeding westward 150 miles north of Port Said (see Submarine Warfare). According to an unconfirmed intelligence report, several loaded steamers are reported to be in Alexandria from where they are scheduled to depart for Malta on 12 Aug. Reconnaissance over Alexandria during the morning observed 1 destroyer, 6 small warships, and 13 steamers in that harbor.

Submarines were found to be very active off the Italian harbors. The Commanding General, Armed Forces South considers that the operations in progress aim at something more than merely supplying Malta.

2. Own Situation, Mediterranean:

Axis measures against the enemy convoy have begun. For air attacks, 5 bomber groups and the aerial torpedo training unit from Grossetto are available in Sicily. Other details are not known to the Naval Staff.

In the night of 10 Aug. bomb fragments set an Italian PT boat on fire in Marsa Matruh. The vessel was beached. On 11 Aug. an

Italian landing craft struck a mine in the harbor of Marsa Matruh but is still afloat.

On the basis of the report of the Italian Admiral at the Naval Staff on mine laying in French territorial waters off Cape Bon, the Naval Staff transmitted its approval and requested that it be considered whether setting the mines for at least 72 hours might not ensure greater protection and advantages.

The German Naval Command, Italy has been notified to this effect (see Telegram 1717).

Referring to the unsuccessful attempts by the Navy to have the Italians lay a permanent minefield in the Strait of Sicily, the Armed Forces High Command, Operations Staff asked the German General at the Italian Armed Forces Headquarters on 7 Aug. to emphasize jointly with the German Naval Command, Italy at the Italian High Command that the suggestions and demands of the German Navy also definitely represent the desire of the German Armed Forces High Command. He should point out to the Italian High Command the importance of this measure and the undiminished willingness on the part of the Germans to aid the Italians. It is suggested that in order to achieve quick results it might be advisable for the German General at the Italian Armed Forces Headquarters to mention only mining of enemy-controlled area, and not for the time being, of the territorial waters off the coast of Tunisia, to which the Italians are known to be opposed.

In the meantime this last point has lost its importance.

3. Transport of Supplies to North Africa:

Transport of supplies from Italy and Greece to North Africa and along the North African coast proceeded as planned.

4. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

Air reconnaissance reports that 2 steamers departed from Novorossisk and 2 tankers from Tuapse.

Own Situation:

During the second torpedo operation of the 1st PT Boat Flotilla off the Caucasian coast in the night of 10 Aug., 2 PT boats southeast of Gelendzhik fired 4 torpedoes on an unescorted tanker and missed. After the attack the tanker was temporarily beached but was not attacked again.

The mine-sweeping operation between Mariupol and Yeisk is under way. I landing craft and I ferry sank in the course of this operation off

Yeisk in the close vicinity of the coast on 10 Aug. as a result of mine hits. Convoy operations proceeded as scheduled.

In view of the rapid progress of Army operations in the direction of the Caspian Sea, Group South considers it necessary that a naval liaison officer be sent immediately to the 1st Panzer Army in order to safeguard the interests of the Navy and to prepare the transfer of naval forces to the Caspian Sea in time. (See Telegram 1110.)

The Naval Staff Quartermaster Division and the Naval Officer Personnel Division have taken up the matter.

VIII. Situation East Asia

According to a U.S. Navy Department communique, U.S. forces have landed on the Solomon Islands. During the landing operations 1 U.S. cruiser was sunk, while 2 other cruisers, 2 destroyers, and 1 transport were damaged. Numerous enemy vessels were destroyed and many surface vessels were put out of commission. The attack aims at driving the Japanese out of the Tulagi area and securing the communication routes to Australia and New Zealand. The communique states that the surprise landings were carried out according to plan. The Japanese, however, quickly launched a counterattack. Heavy fighting is still in progress. Considerable losses must be expected on both sides.

According to an American broadcast, the operation against Kiska in the Aleutians is completed. Nothing can be said about the results until the participating naval forces have returned to their bases.

IX. Army Situation

1. Russian Front:

Army Group A:

The enemy countered the bombardment of the Taman Peninsula with heavy artillery fire.

In the Kuban area our troops are fighting for the possession of Slavyansk. One section of the town has already been taken. The enemy is trying to attack Krasnodar from the southern bank of the Kuban River, which is held by strong forces. A counterthrust has been launched. The 1st Panzer Army has extended the bridgehead near Maikop. Another bridgehead was established across the Byelaya River near Abocheskaya. Cherkessk has been seized. Advance detachments are pushing on toward the mountains.

The III Army Corps advanced in the direction of Elista after crossing the undamaged bridge over the Manyoh River.

Army Group B:

The battle of encirclement west of Kalach has ended. The remnants of the 62nd and the 1st Panzer Armies, pushed into a small

area, were either slaughtered or taken prisoner. Enemy attacks north of Voronezh and south of Yelets continue.

Central Army Group:

In the Byelev area our divisions have set out in northerly direction to mop up the enemy in the Sukhinichi area. Movements of the right wing and the center are in accordance with plans. On the left wing, our offensive encountered a heavily mined fortified terrain. Enemy troops continue their heavy attacks south of Rzhev. Enemy tanks again succeeded in breaking through our lines. North of Rzhev strong enemy forces have launched an attack. Fighting is still in progress. Lack of air support makes our situation difficult.

Northern Army Group:

Local fighting is reported.

2. Finnish Front:

No fighting of importance occurred.

3. North Africa:

So far, no report has been received.

Items of Political Importance

In connection with the Moscow conferences it is reported that more U.S. officers have joined General Bradley's mission in Moscow. According to an Italian report, the Americans have demanded the right to occupy Siberian air bases as jump-off points for their attacks on Japan. For further conjectures on this subject see Political Review No. 187, Paragraph 1.

The length of the conference, in which Churchill seems definitely to be participating, according to all available reports, indicates that the problems under discussion are extremely important. Germany would do well to realize that the British and the Americans are concentrating their efforts exclusively on convincing Stalin that an ultimate Allied victory is inevitable. Russia's offensive strength on the sector of the Central Army Group continues unbroken and indicates that the Russians do not yet intend to give up.

The international press continues to discuss the problem of the second front in Europe without bringing forth any new viewpoints. At the present moment, the discussion is focused on the site of the future operation. For details see Political Review No. 187, Paragraph 2.

Great Britain:

A report from a diplomatic source on Great Fritain's domestic situation confirms the prevailing opinion that the country's confidence in a final victory is unshaken. Churchill, who has lost much of his popularity, is still considered irreplaceable. Cripps has no influence whatsoever. The food situation is still quite satisfactory but there is a great shortage of textiles. Communist propaganda is undoubtedly making rapid progress, but so far the menace is not considered very great.

According to the Daily Telegraph, it is not intended to call a Parliament session for discussion of the Indian question. The Communists in Britain and the radical Socialists in the U.S.A. have condemned the arrest of Gandhi and the Congress leaders. Unrest continues in India but so far it has failed to assume dangerous proportions.

France:

Laval spoke about the return of 50,000 French war prisoners in exchange for 150,000 French skilled workers.

According to Swedish and Swiss press reports, rumors about an internal coup d'etat are circulating in Vichy.

Conference on the Situation with the Chief, Naval Staff

I. The Armed Forces High Command, Operations Staff rejected the unjustified complaint of the African Panzer Army High Command (see War Diary 10 Aug.) by issuing the following reply:

According to the Naval Staff, it will take 10 days to unload

the ANKARA, which arrived in Tobruk on 6 Aug. 1942. The Naval Staff considers this unloading rate satisfactory. Therefore and on the basis of previous experience, the Armed Forces High Command, Operations Staff disagrees with the African Panzer Army High Command about the activity of the naval command in Tobruk. Any special wishes are to be taken up with Admiral Weichold in Africa.

II. The Chief, Naval Quartermaster Division reports that the Reich Commissioner of Maritime Shipping intends to obtain control of the tonnage available in unoccupied French harbors through direct negotiations with the French. All efforts of the German Armistice Commission, France and of the Foreign Office in this direction are known to have failed so far.

The Fuehrer has decided that control of maritime shipping in the Black Sea, claimed by the Reich Commissioner of Maritime Shipping, shall for the time being remain with the Navy.

The Navy must realize that the demands of the Reich Commissioner of Maritime Shipping will not be satisfied until the Navy has been stripped of any responsibility for maritime shipping and has lost the last vestige of influence in this sphere. The farther the Navy retreats from its basic demand for naval control of both the Merchant Marine and the Navy for the duration of the war, the more certain it is that the civilian authorities will try to seize control of matters closely related to both.

III. The Chief of the Foreign Affairs Section, Naval Staff Operations Division reports that the German Embassy in Ankara was directed to draw the attention of the Turkish Government to the problem of merchant shipping protection within the Turkish territorial waters. The Turkish Government replied that the respective commands have been ordered to fire on any vessel launching an attack in Turkish territorial waters. For details see War Diary, Part C, Vol. VIII.

IV. The Chief, Naval Intelligence Division adds to his report of 11 Aug. a discussion of the presumable reaction of the Soviet fleet to a further advance of the German Army and to the impending loss of its last bases. See War Diary, Part C. Vol. XIVa.

In a Very Restricted Circle:

V. The Naval Liaison Officer to the Army General Staff submits his report of 8 Aug. on the Army situation (see War Diary 8 Aug.) to the Chief of Staff, Naval Staff.

VI. The Chief, Operations Branch, Naval Staff Operations Division reports that in contrast with the views held by the Naval Staff with regard to the submarine operation off Cape Town (see War Diary 10 Aug.), the Commanding Admiral, Submarines considers it necessary to permit the outbound submarines to attack enemy vessels as far as 15°S, so that as many enemy ships can be sunk as possible. In his opinion, there is no reason to fear that sinkings occurring as far south as 15°S might affect enemy shipping in the Cape Town area. The Commanding Admiral, Submarines has agreed to the Naval Staff's demand for absolute radio silence.

The arguments of the Commanding Admiral, Submarines have failed to convince the Naval Staff. The Naval Staff views the planned submarine operation off Cape Town as similar to operation "Paukenschlag", and therefore special measures are required to ensure its success. For this reason the Naval Staff, after having reexamined the plan, is unwilling to alter the stipulation that the submarines remain unnoticed after crossing the equator, except when there is a definite chance for an attack on battleships or aircraft carriers.

For copies of the telegrams to and from the Commanding Admiral, Submarines see 1/Skl I u 1555/42 Gkdos. Chefs. in War Diary, Part C, Vol. IV.

Special Items:

I. On 7 Aug. Group North submitted to the Naval Staff its operations order to the weather ship HERMANN for operation "Holzauge". The purpose is to establish a meteorological service and a radio station in the vicinity of Bismarck Cape on the eastern coast of Greenland. A weather buoy is to be laid about half-way. The ship will leave the Narvik-Harstad area as directed by the Admiral, Arctic Ocean. The destination should be reached by 25 Aug., if possible. The HERMANN will remain during the winter either in the vicinity of Bismarck Cape or of the northeastern tip of Spitsbergen.

The Naval Staff points out that it would be wiser for the HERMANN to camouflage herself as an Icelandic than as a Norwegian vessel in case enemy planes should fly over the ship.

II. Concerning the development of harbor defenses in the west area (see War Diary 11 Aug.), the Naval Staff has transmitted the following priority list to the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters and to the Naval Representative on the Armed Forces High Command, Operations Staff:

- 1. Large harbors: Cherbourg, Le Havre, Hook of Holland
 - Small harbors: Caen, Fecamp, St. Malo, Granville, Lezardrieux
- 2. Large harbors: Brest, Lorient, St. Nazaire, La Pallice, Gironde estuary, Flushing and the Scheldt estuary
 - Small harbors: Morlaix, l'Aber-Vrach, Concarneau, Les Sables, D'Olonne
- 3. Large harbors: Boulogne, Calais, Dunkirk, Ostend, Ijmuiden
 - Small harbors: Le Treport, Zeebrugge
- 4. Small harbors: Den Helder, Bayonne, Arcachon, St. Jeande-Luz, as well as all the other small harbors covered by the defense development project for the entire coast front.

Situation 12 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to an intelligence report from Canada dated 29 Jul., most of the grain shipments during June and July went, to Russia and to the armies in the Near East, Iceland, and Alaska; quite a number of Russian ships loaded with grain have left for harbors in Siberia, and the loading is still going on. The next large convoy of ships carrying wheat and flour will depart from St. Lawrence River harbors for England approximately between 14 and 19 Aug. At least 26 to 29 steamers will be loaded with nothing but grain. Some of them are already arriving to start loading. These ships will be joined by freighters carrying lumber, ore (Newfoundland), metals, etc., and will depart under a particularly heavy escort without U.S. shipments. At Newfoundland the ships will presumably be joined by 9 or 10 ore freighters.

Indian Ocean:

According to an intelligence report of 3 Aug. received via Vienna, 6 (Tr. N.: This number was originally 66, but was changed to 6 by a marginal note on 24 Oct. 1942.) American ships carrying 34,000 tons of ammunition, tanks, and planes for Palestine, Egypt, and Russia entered Basra between 19 and 26 Jul. Early in July the 4th U.S. Tank Brigade destined for Egypt landed in Basra. The road between Basra and Koweit is not yet completed. New highways are being built from Bagdad to Basra, Mosul, and Kirkuk. The second railway line between Eagdad and Basra is under construction.

2. Own Situation:

Radiogram 0530 contains the information that the TANNENFELS is carrying supplies from Yokohama for ship "10" and other vessels.

Viá Radiogram 2309 all vessels in foreign waters are being notified that from now on the Japanese Navy wishes all prisoners to be debarked in Batavia.

Via Radiogram 2017 all vessels in foreign waters are being informed that the first departure of the UCKERMARK failed and that, as a result, it is possible to postpone the order prohibiting the submarines from attacking enemy vessels on route "Anton".

Radiogram 0716 contains further information on the efforts to influence Chile's attitude in international matters. The gradual weakening of her previous stand may be attributed to the following factors:

- a. The President's loss of authority due to his inactivity and the resulting strengthening of leftist power.
- b. A tempting American offer to nationalize the Chilean copper mines.

c. The fact that we are not fast enough in winning the war, in the opinion of the Chilean political leaders (military circles have little to say). Thus, for example, our failure to conquer Egypt has given a new impetus to our opponents in Chile.

The Naval Attache in Tokyo is being informed via Telegram 0230 that on 11 Aug. a strong enemy force was located in the western Mediterranean and that after the sinking of the EAGLE there were apparently still 3 carriers, presumably including the WASP, 3 battleships, among them presumably the RODNEY and the NELSON, and 1 battle cruiser with that force.

The Naval Staff has transmitted to Group West, Naval Office Bordeaux, for distribution to the respective captains, sailing orders for the blockade-runners IRENE, SPICHERN, BUFGENLAND, RIO GRANDE, and BRAKE.

These ships are to take goods to Japan. They can depart during the new-moon period in September. Group West will determine the date of departure and will be in command up to 30° W.

For copy no. 4 of the sailing orders see 1/Skl I k 1535/42 Gkdos. Chefs. in War Diary, Part C, Vol. I.

II. Situation West Area

1. Enemy Situation:

Air reconnaissance spotted lively convoy and steamer traffic in the western part of the English Channel and the northern outlet of the Bristol Channel.

One of our submarines sighted a submerged enemy submarine in the area off the Loire estuary.

2. Own Situation:

Atlantic Coast:

Mine-detonating vessels swept 6 ground mines on route "Herz". 4 mine detonations, presumably caused by self-ignition, were observed in the Gironde estuary. 3 more detonations occurred near Ile d'Oleron and Ile de Re.

Group West reports that on 10 Aug. there were repeated and partly successful air attacks on in and outbound submarines, and the first blockade-runner to depart was located, attacked, and shadowed by British reconnaissance planes, and was thus forced to turn back. The forces of the Air Command, Atlantic Coast are at present so weak that the operations scheduled at short intervals in September are jeopardized. The blockade-runners can leave for their vital missions only when the available reconnaissance forces have been increased, and new forces have been brought up to protect the ships and to fight enemy planes. Group West considers the allocation of one complete group of FW 200's and one of Ju 88's (the latter as auxiliary long-range fighters) as an indispensable

minimum.

The Chief, Naval Staff had submitted a similar request to the Fuehrer after his return from the inspection tour in France. The Naval Staff will use the very serious threat to blockade-runner traffic to lend emphasis to this demand.

No incidents occurred when the UCKERMARK was being brought in.

Group West further reports that the demand of the Commanding Admiral, Submarines for reinforcement of the escort forces of the Commanding Admiral, Defenses, West in the Bay of Biscay (see War Diary 3 Aug.) cannot be fulfilled unless an additional new mine sweeper or torpedo boat flotilla can be allocated. Until then, the suggestions made by the Commanding Admiral, Submarines can be followed only on occasion. Concerning the disposition of the new mine sweeper flotillas along the west coast, Group West reports that the 6th Mine Sweeper Flotilla is operating in the southern part and the 2nd Mine Sweeper Flotilla in the northern part of the Bay of Biscay. By the end of August the 2nd Mine Sweeper Flotilla will have to enter the shipyard. In September, the 6th Mine Sweeper Flotilla will operate in the southern part and the 8th Mine Sweeper Flotilla in the northern part of the Bay of Biscay. By the end of September the 8th Mine Sweeper Flotilla will have to enter the shipyard. From October till December the 6th Mine Sweeper Flotilla will be available in the southern part of the Bay of Biscay.

The 3rd Torpedo Boat Flotilla is undergoing a 3-day overhaul in the shippard of La Pallice.

Channel Coast:

During the enemy air raid on Le Havre in the night of 11 Aug. some property damage was caused in the naval communications building. During the day, numerous balloons with explosives attached were observed over the areas of Dunkirk and Calais.

At 2247 naval and Army batteries fired on a westbound convoy south of Ramsgate. The effect was not observed.

Special Items:

Group North took up the matter of detailing a naval liaison officer to Army Group D, in accordance with the previous suggestion of Group West, which had been rejected. To safeguard the interests of the Navy with the Commander in Chief, West, Group North requests that this suggestion be approved, because the distance between headquarters of Group North and those of the Commander in Chief, West hampers their cooperation considerably and produces friction in the Netherlands area, which could be eliminated by appointing a naval liaison officer. (See Telegram 1245.)

The Naval Staff definitely endorses this suggestion while realizing that the present shortage of personnel makes it almost impossible to fulfill.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance observed only light convoy traffic along the southeast coast.

Own Situation:

5 ground mines were swept. Otherwise there is nothing to report.

2. Norway, Arctic Ocean

Enemy Situation:

The lively air activity over the west coast on 10 Aug. was evidently a systematic search for the LUETZOW. Radio intelligence failed to yield further details concerning the results of this reconnaissance.

No tactical results were obtained from the reconnaissance carried as far as the southern tip of Ireland and north of Iceland up to 23° W.

Bad weather prevented photographic reconnaissance of Reykjavik which was planned in search of convoy PQ 18. Visual reconnaissance failed to spot any enemy forces.

Own Situation:

On 10 Aug. the Russian battery on the Rybachi Peninsula unsuccessfully fired on land targets. The attack was met by counterfire. All 3 torpedoes fired on an eastbound convoy in quadrant AC 8459 missed their target. The submarine chase, in the course of which 110 depth charges were dropped, seems to have been unsuccessful. On 11 Aug. Russian planes launched a low-level attack on Gamvik. A reconnaissance plane flew over. Bergen and the Grimstad Fjord on 11 Aug.

The steamer GEORGE L. M. RUSS sank after an explosion in quadrant AN 3161. The captain assumes that she was hit by a torpedo. The steamer BOLTENHAGEN sank in quadrant AN 3513 as a result of a mine hit. The shipping channel of Kristiansand South is closed as far as Stavanger.

Group "Nebelkoenig" has been ordered to shift its operations area by 155 miles in the direction of 80° proceeding at a speed of approximately 9 knots. The order was based on the assumption that convoy PQ 18, if at all en route, must have passed the line between Bear Island and Spitsbergen. Since visibility has improved enough to permit fairly reliable, although by no means definite and complete reconnaissance, it is becoming doubtful whether convoy PQ 18 actually was located. Under the circumstances, the press report about the arrival of a convoy in a harbor of northern Russia (see War Diary 11 Aug.) may actually be authenic.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to an intelligence report from Norway, 5 Norwegian ships are in Goeteborg; two of them, the DICTO and the LIONEL, have Britishers aboard. An attempt will probably be made to have the ships depart one by one. One ship and 3 new Norwegian vessels are in Malmoe. These will probably depart first.

Own Situation:

A Danish fishing boat sank west of Samsoe, after a British aerial mine exploded in the net. The weather ship HERMANN departed for Norway, en route for operation "Holzauge". Convoy and transport operations in the area of the Commanding Admiral, Defenses, Baltic Sea proceeded according to plan. The transfer of the LUETZOW has been completed.

The naval situation in the area of the Commander, Mine Sweepers Baltic Sea remained unchanged.

The Commander, PT boats declared that a number of preliminary measures are required if 8 vessels of the 6th PT Boat Flotilla are transferred to the Gulf of Finland without a tender. For details see Telegram 0940. The Commander, PT boats reports that preparations for the planned operation of the 6th PT Boat Flotilla in the west area are either completed or under way.

Group North has transmitted to the Naval Staff a report of the Commander, Mine Sweepers, Baltic Sea, stating that the Finnish High Command is not so strongly opposed to the transfer of the small coastal mine-laying craft and the Italian subchasers from Lake Ladoga as is assumed by higher commands. At the conference in Kotka, the commander of the 1st Air Force likewise admitted the uselessness of keeping these vessels in Lake Ladoga. The Commander, Mine Sweepers, Baltic Sea suggests that the Commanding Admiral, Defenses, Baltic Sea report on the matter to the Finnish Marshal personally. Group North requests approval of this suggestion (see Telegram 1548).

The Naval Staff will achieve its objective without following this suggestion, which appears inadvisable since the Armed Forces High Command Operations Staff is already working on the matter.

V. Submarine Warfare

1. Enemy Situation:

Reconnaissance over the Bay of Biscay was particularly active. At 2208 a British vessel was located 60 miles north-west of Bordeaux.

A broadcast reporting the sinking of an American steamer by a submarine off Florida was intercepted from the American coast

area. Submarine sighting reports were repeatedly intercepted from off the West Indies.

· 2. Own Situation:

For the operation of group "Nebelkoenig" see Situation Arctic Ocean.

No incidents occurred in the North Atlantic. In the western Atlantic, submarine U "86" sank the auxiliary sailing vessel WAWALOMA in quadrant CC 45 on 6 Aug. In the West Indies, submarine U "155" sank the Dutch steamer CURACAO (383 GRT), and submarine U "66" sank the steamer ROSAWIE (about 5,000 GRT). The captain was taken aboard. No reports have been received from the submarines in the South Atlantic.

Mediterranean:

The British Admiralty has admitted the loss of the EAGIE. No further successes have so far been reported in connection with submarine attacks on that convoy.

In the eastern Mediterranean, submarine U "77" sank 5 more sailing freighters.

3. Special Items:

Due to the fact that the UCKERMARK has re-entered port, the order prohibiting submarines to attack enemy vessels on route "Anton" is being temporarily revoked for the sector south of 20 N. In this sector, the submarines are free to attack until further notice as far south as 50 S and as far east as 200 W between 00 and 50 S. For the time being, the submarines are still prohibited from attacking north of 200 N. For information sent to the Commanding Admiral, Submarines, with copy to Group West, see Telegram 1719.

VI. Aerial Warfare

1. British Isles and Vicinity:

On the night of 11 Aug. and on 12 Aug. a few of our planes raided various English towns; some effects were observed. In the night of 12 Aug. bombs were dropped on Edinburgh and a neighboring airfield. In the same night enemy planes carried out some 100 incursions into the Reich area, again concentrating their attacks on Mainz. Cologne and Muenchen-Gladbach were also raided.

2. Mediterranean Theater:

According to preliminary oral reports, 4 waves of German planes attacked the convoy located in the western Mediter-ranean between 0922 and 2048. Hits were reported on 1 aircraft carrier, 4 to 6 cruisers, 14 steamers, and 1 tanker. Of the vessels hit, 5 merchantmen are mentioned as sunk. The aircraft carrier, alleged to be the WASP, is said to have been put out of commission.

3. Eastern Front:

Our dive bombers scored well-placed hits while attacking the enemy anti-aircraft artillery position in front of the Mountain Corps, Norway. For results of reconnaissance carried out over the Arctic Ocean see Enemy Situation, Arctic Ocean. No further reports have been received.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

Western Mediterranean:

In the evening the FURIOUS, listing slightly and escorted by 3 destroyers, entered Gibraltar from the east. One of the destroyers debarked 200 to 250 men who had probably been ship-wrecked. Axis air forces maintained contact with the convoy from dawn. At 1100 the convoy was reported proceeding at a speed of 13 to 15 knots on a 90° course 50 miles north of Bone and consisting at that time of 2 or 3 battleships, 2 aircraft carriers, 5 cruisers, 21 destroyers, and 19 steamers and tankers, including 1 passenger ship. The sections of the convoy had evidently been reunited, but the formation was stretched over a wide area. At 1700 its position was reported 26 miles northwest of Cape Blanc. Toward 1930 the heavy ships and part of the other escort forces turned back westward about 35 miles northeast of Bizerte. The rest of the convoy continued to proceed eastward. At 2230 it was assumed to be off Cape Bon.

Air reconnaissance reported that early in the morning 2 destroyers and 2 steamers were proceeding on a westerly course south of La Galite. These vessels were observed for the last time at 0830 when proceeding some 30 miles west of La Galite. The vessels presumably departed from Valletta where they had been staying since the last convoy operation in June.

There was nothing noteworthy to report from the western Mediter-ranean. The cruiser group which had been sighted on 11 Aug. was not intercepted again.

2. Own Situation, Mediterranean:

The Italian Admiral at the Naval Staff has transmitted a report from the Italian Admiralty Staff stating that on the night of 11 Aug. a minefield set for 72 hours was laid in the French territorial waters off Cape Bon.

Enemy air raids on Navarino and Cagliari on the night of 10 Aug. and on 11 Aug. did not cause any damage to the Italian naval forces or installations.

The German Naval Command, Italy reports that on the night of 12 Aug. it intends to send 5 vessels of the 3rd PT Boat Flotilla under the Flotilla Commander from Porto Empedocle to the area off Cape Bon. 2 PT boats will remain in Marsa Matruh ready for action against enemy forces in the eastern Mediterranean. No submarines are ready for action except 2 in the operations area

in the eastern and 2 in the western Mediterranean. The Italians have made provisions for sending out 12 to 15 PT boats. The question whether the Italians can send out 2 cruiser divisions depends on whether the available fighter protection will be assigned to these naval forces or to the Air Force bomber planes. The Duce will probably decide in favor of the Air Force.

The Admiral, German Naval Command, Italy has done everything in his power to support the planned fleet action. If the decision is made against this action, the Admiral feels that it will mean missing the big chance of annihilating the largest convoy undertaken so far in the Mediterranean after the heavy enemy naval forces, superior in number and arms, have withdrawn.

Nothing is known about the number of Italian submarines at sea.

The Italian Air Force reports hits on an aircraft carrier and 3 cruisers, as well as the sinking of 2 merchant ships.

The reports received so far do not give a clear picture of successes scored by the Italian and German planes and submarines. In addition to the EAGLE, which was sunk, and the FURIOUS, which returned to Gibraltar in damaged condition, a third carrier is said to have been heavily damaged by dive bombers.

The Naval Staff has asked the Commander in Chief, Air Force to allocate the first 2 of the 5 new mine-sweeping planes which will be released in August to the Commanding General, Armed Forces, South for the Mediterranean. No further planes can be allocated since there are only 9 such planes at the present time, and 7 of them are not ready for action.

The German Naval Command, Italy has received a reply to this effect (see War Diary 4 Aug.).

3. Transport of Supplies to North Africa:

In view of the enemy situation, the transport of supplies to North Africa has been held up. Supply traffic along the North African coast and between Greece and Italy proceeded according to schedule.

4. Area Naval Group South:

Aegean Sea:

Enemy Situation:

On 11 Aug. a submarine was sighted off Milos.

Own Situation:

Upon request of the Italian Admiralty, the destroyer ZG "3" is assigned to temporary duty with the 8th Italian Cruiser Division in Navarino after bringing a convoy into Suda.

Small vessels are again permitted to sail in the northern Aegean as far as Cape Sunium.

As for the submarine defense in the Aegean Sea, which considering the heavy convoy traffic (up to 4 convoys simultaneously) has become a serious problem, the Commanding Admiral, Aegean Sea and the Shipyard Control Staff have been trying in vain to obtain German workers needed for the completion of a subchaser and 5 submarine decoys, as well as 24 armed trawlers in Skaramanga, and to arrive at a satisfactory solution of the problems of food and pay for the Greek workers. Group South is justified in urging the Naval Staff Submarine Division and the Naval Construction Division to reverse their position on these points and to take the necessary steps with the Italian Admiralty in order finally to bring about the completion of the 4 subchasers and the auxiliary cruiser DRACHE under construction in Trieste. Group South further demands the following: additional landing craft, 20 of which were destined for the Aegean Sea but have in the meantime been sent elsewhere; investigation of whether the Italian Admiralty can make any more escort vessels available; more of the particularly well-suited Spanish steamers which so far have escaped any submarine attacks.

For copy of the telegram from Group South see 1/Skl 19754/42 Gkdos. in War Diary, Part C, Vol. XIV.

Black Sea:

- a. No reports about the naval situation have been received because of interrupted communications.
- b. With regard to the assignment of available landing craft to the task of transporting supplies for Army Group A, the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters transmits to the Naval Staff Operations Division, with copy to the Admiral, Black Sea, the following wish expressed by the Fuehrer in supplement to the orders issued to the Naval Staff:
- (1) Since the available transport tonnage is hardly sufficient for simultaneous execution of all tasks, the vessels are to be assigned in accordance with the wishes of Army Group A. 3 tasks are under consideration at the present moment:
 - (a) Transport of supplies to Yeisk.
 - (b) Transport of supplies up the Don River, later as far as Kalach.
 - (c) Ferrying troops across the Kerch Strait.

The last-mentioned task is not yet urgent, while, as far as can be foreseen, tasks (a) and (b) are of equal urgency. According to a statement by the Chief of Army Transport, vessels can pass under the Don bridges. Supplies can be transported up the Don River, and as soon as a mine-free route has been swept, to Yeisk as well.

(2) As soon as the Army Group has reached the coast south of the Caucasus, the supply of fuel by sea will become urgent. For this purpose even motor mine sweepers and PT boats carrying barrels on deck should be employed, if necessary; the supply of fuel is a prerequisite for carrying on the operation. No large quantities will be required since the number of motorized units employed in the operation is small. Details of this problem are

likewise to be agreed upon with Army Group A.

Paragraph (1) is in keeping with orders which the Naval Staff has already issued to Group South. The direct intervention of the Fuehrer Headquarters in the solution of the transport problem, about which the Army Quartermaster and Group South are conferring at the present time at Bucharest, is rather unfortunate in the opinion of the Naval Staff. As things stand, the transport of supplies in the Black Sea is an operational matter of direct concern to the Navy. It is to be feared that these various orders will place the Admiral, Black Sea in a difficult position. The Naval Staff will try to clarify the matter.

C. The Naval Staff's inquiry at the Army General Staff, Intelligence Division, East about transport opportunities in the Caspian Sea was answered to the effect that the Italian subchasers can, under certain circumstances, be transported on the road from Rostov via Tikhoryetsk-Armavir-Georgievsk to Makhach Kala or from Rostov via Peschanokopskoye-Progradnoye-Voroshilovsk-Georgievsk to Makhach Kala. If necessary, the hills in the vicinity of Voroshilovsk will have to be bypassed by taking the route via Petrovskoye. The roads are said to be 5 to 8 m. wide.

Group South has been notified accordingly.

VIII.Situation East Asia

No noteworthy reports have been received.

IX. Army Situation

1. Russian Front:

Army Group A:

Kerch was under heavy enemy gunfire, possibly to conceal a withdrawal. In the Kuban area, our troops have reached and taken Ivorskaya. South of Ivorskaya the 12th Panzer Division is fighting against stiff enemy resistance in swampy, wooded terrain. South and northwest of Maikop there is also some mopping up to be carried out. The 11th Infantry Division has reached Elista, the 370th the area northwest of Elista. The 1st Mountain Division took Kardoniskaya (30 km. south-southwest of Cherkessk).

Army Group B:

The right wing of the 4th Panzer Army succeeded in gaining ground to the north against strong enemy resistance. The Rumanian units on the Myshkoba River are likewise faced by strong

enemy forces. The regrouping of the 6th Army in the Kalach area is proceeding according to plan. Enemy attacks in the Svoboda area were repulsed. The 2nd Army is fighting a fierce defense battle near Voronezh and south of Yelets.

Central Army Group:

A strong enemy counterattack held up our offensive in the area of Sukhinichi. The defense battle of Rzhev reached its climax in the fierce fighting against strong enemy tank forces concentrated in a small area. The front south of the point of penetration was generally maintained. After putting our armored forces out of action, the enemy succeeded in throwing our lines north of Rzhev back toward the south despite continuous attacks by our planes. Our losses are quite heavy. Further enemy reinforcements are being brought up. Another enemy attack had to be countered near Byeloi.

The Russians are evidently attempting to strike a heavy blow at this point in order to relieve Stalingrad which is the main objective of this year's summer campaign.

Northern Army Group:

All attacks against the land bridge to the II Army Corps south of Lake Ilmen were repulsed.

2. Finnish Front:

No fighting of importance was reported.

3. North Africa:

The situation remained unchanged.

Items of Political Importance

Except for unauthoritative comments in the press, no reports have been received concerning the conferences in Moscow and the problem of the second front in Europe.

According to a statement by the British Government, authorities in India have the situation entirely under their control. There are no indications whatsoever of any important mass movement. Unrest is confined to a few large towns. For further details on the Indian problem see Political Review, No. 188, Paragraph 3.

Portugal:

Concern about the situation is growing under the ever-increasing pressure by the British. Salazar is working out a detailed note concerning the effect of the British blockade.

Sweden:

Since Moscow has rejected Sweden's representations against the violations of her neutrality, Sweden is contemplating the recall of her ambassador from Kuibyshev "for a report".

Turkey:

The German Government has agreed that Turkey should take over the U.S. planes which made emergency landings on Turkish territory. The crews have been interned.

Japan:

According to circles connected with the Korean liberation movement, a Korean made an attempt on the lives of Premier Toyo and ex-Premier Hirota. Hirota is said to have been badly injured, while Toyo suffered minor injuries.

Conference on the Situation with the Chief, Naval Staff

- I. The Chief, Naval Staff Communications Division reports that the installation of radar sets on Italian submarines, in compliance with the request of the Italian Navy, cannot be started before September because our requirements must be met first. The 7-day test of the instruments by a submarine in the Bay of Biscay is now being carried out.
- II. The Naval Attache in Tokyo reports that Japan's wishes concerning the equipment, etc. to be carried by the Japanese submarine I "30" are being fully complied with. The submarine is to depart on 22 Aug.
- III. The Chief, Naval Intelligence Division reports that the agreement between the German Ambassador in Ankara and Foreign Minister Menemencioglu, providing for a strictly confidential relay of information of military importance received by the Turkish Foreign Ministry, has now gone into effect.

In a Very Restricted Circle:

IV. Group West gives an account of the circumstances accompanying the unsuccessful departure of the blockade-runner UCKERMARK. On 10 Aug. at 1700, a Wellington bomber approached the ship at 440 91 N, 80 161 W without dropping bombs. It was observed that most of our antiaircraft projectiles rebounded from the target. During his second attack at 1710 the enemy used machine guns. Thereupon the UCKERMARK changed to an easterly course. The enemy maintained contact with the ship until 1800. At 1716 the ship reported that she was being shadowed and that she intended to continue the breakthrough if the weather became worse. Since, however, the weather improved, and she would have had to wait another 5 hours until darkness, the ship sent a short signal at 1935 reporting that she had decided to turn back. Group West does not approve of the captain's decision. Unfortunately, the radio message sent at 1716 did not reach Group West because a wrong code was used. Otherwise the Group would have recommended that the ship turn back again and continue her voyage at night-fall. The strange thing is that radio intelligence failed to intercept any enemy reconnaissance message concerning this event. The incident again proves that more planes are needed. A special request to this effect has already been received (see War Diary 12 Aug.) and will be used by the Naval Staff to back up its previous demand for increased air protection.

The Naval Staff cannot readily subscribe to the opinion of the Group Command disapproving the action of the UCKERMARK. The events of 10 Aug. definitely jeopardized the safe departure of this particularly valuable blockade-runner, the first to depart this season. The UCKERMARK will have a better chance to break through after the air forces in the Bay of Biscay area have been reinforced, than if she had tried to shake off the enemy during the 6 short hours of darkness. As a matter of fact the Naval Liaison Officer to the Air Force Operations Staff has reported that the Air Force Operations Staff has in the meantime complied with the request of the Chief, Naval Staff to the Fuehrer and has ordered that the forces of the Air Command, Atlantic Coast be brought up to a full-strength Ju 88 fighter group for patrol of the Bay of Biscay.

V. a. According to another communication from the Naval Liaison Officer to the Air Force Operations Staff, dated 8 Aug., the Chief of the Air Force General Staff issued an order, based on the report of the Commander in Chief, Navy to the Fuehrer about his inspection tour in western France, by which 10 more minesweeping planes are to be made available. The minesweeping planes now available are to be distributed as follows: 6 planes for the 3rd Air Force, 2 for the Air Force Group Command, Central Area, and 1 for the Commanding General, Armed Forces, South.

The Naval Staff Operations Division suggests that 2 of the 5 minesweeping planes becoming available in August be allocated to the Commanding General, Armed Forces, South and 3 to the Air Force Group Command, Central Area. This would mean that the 3rd Air Force will have 6, the Air Force Group Command, Central Area 5, and the Commanding General, Armed Forces, South 3 minesweeping planes at their disposal. The Naval Staff agrees with the suggestion that 5 of the 10 additional planes which will become available by 1 Oct. 1942 be allocated to the 3rd Air Force

and the other 5 to the Air Force Group Command, Central Area. The monthly production of 2 mine-sweeping planes during the following months will be needed for replacements.

- b. The Air Force Operations Staff considers the enemy's night raid on Osnabrueck of 9 Aug. as very successful, particularly in view of the fact that it was executed during the new-moon period. The attack must have been guided by radio beams. During the new-moon nights the effectiveness of our night fighter operations is considerably reduced. Our own planes often do not locate their targets in the British Isles.
- c. In case of operations on the Iberian Peninsula, the objections of the Chief, Naval Staff regarding the proximity of the airfields to the coast will be taken into account. The Air Force Operations Staff fully recognizes the validity of these objections.

Special Items:

- I. A map showing damage and losses from aerial mines and bombs dropped by the enemy in July 1942 show a concentration on the German Bight and the western part of the Baltic Sea. This information was sent to Groups West and North, the Commanding Admiral, Norway, the Commanding Admiral, Defenses, West, the Commanding Admiral, Defenses, Baltic Sea, and the Air Force. See copy no. 9 of 1/Skl IE 19085/42 Gkdos. in War Diary, Part C, Vol. VI.
- II. On 16 Jul. the Air Force General attached to the Commander in Chief, Navy stipulated the basic requirements for providing and training initial and replacement flying personnel for the GRAF ZEPPELIN. These requirements were submitted to the respective Air Force departments (see War Diary 16 Jul.). The additional requirements in personnel, which will result if the 5 aircraft carriers demanded by the Fuehrer become available by the end of 1944, make it necessary to handle the personnel problem outside of the Navy. Thus a naval air force must be created, which would include the carrier-based planes.

This problem must be solved because the Naval Staff believes that in the long run not only the morale of the crews but also the readiness of the ships to go into action will be affected if command over the personnel alternates constantly between Air Force and Navy.

Moreover, the Naval Staff is of the opinion that the organization and maintenance of the carrier and ship plane forces will create an undesirable personnel and training problem for the Air Force. On the one hand, this may delay the operational readiness of the ships; on the other, it may serve to diminish the expected opposition of the Commander in Chief, Air Force to an independent naval air force.

The Naval Staff has therefore approached the Naval Staff Quarter-master Division, the Naval Officer Personnel Division, the Naval Recruitment Division, and the Air Force General attached to the Commander in Chief, Navy in order to initiate the necessary steps to solve this problem in time.

For copy 7 see 1/Skl 17432/42 Gkdos. in War Diary, Part C, Vol. V.

III. Radio Intelligence Report No. 32/42 of the Naval Communications Division, Communications Intelligence Branch contains a compilation of enemy reports intercepted by the radio decoding and radio intercept services between 3 and 9 Aug. 1942.

The results of radio decoding are still extremely poor since up to now we have not been able to break the new British and American codes. An approximately accurate picture of the disposition of the enemy's naval forces, based on radio intelligence data, is therefore lacking at the present time.

Situation 13 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

The British steamer NURJEHAN sent a QQQ signal from quadrant ET 8240. The Admiral, Freetown reported on 5 Aug. that one vessel had proceeded on an easterly course until 17 Jul. and was later sunk by a PT boat operating with an auxiliary cruiser. The size of the auxiliary cruiser is 3,500 GRT, that of an accompanying ship about 1,000 GRT. The report probably refers to the sinking of the GLOUCESTER CASTLE by the light PT boat from ship "28". The GLOUCESTER CASTLE sent an SSS message from 6° 30'S, 1°E on 16 Jul. at 2257.

A report of the headquarters in Freetown concerning the sinking of the steamer DALHOUSIE on 9 Aug. states: "At present no British naval forces available for rendering aid."

The Naval Attache in Lisbon reports that on 1 Aug. a convoy consisting of 5 troop transports and 20 steamers and escorted by 1 vessel of the ILLUSTRIOUS class, 2 cruisers, and 12 destroyers was sighted in Freetown.

The Consulate in Lourenco Marques reports that on 10 Aug. 1 cruiser and 3 destroyers, as well as 2 ships of the size of the steamer QUEEN MARY, departed from Cape Town in southeasterly direction.

2. Own Situation:

Via Telegram 2100 the Naval Staff notified the Naval Attache in Tokyo that the captain of the DOGGERBANK has been awarded the German Cross in gold. At the same time the Naval Attache was requested to ask the captain to report at his convenience on the morale and behavior of the crew of the DOGGER-BANK during the unusually long and uneventful periods of waiting.

Via Radiogram 1629 the Naval Staff informs all vessels in foreign waters about the production of new enemy ships in 1942 and about other enemy plans for overcoming the transportation crisis. Radiogram 2241 contains corrections on the Japanese statement concerning the naval battle in the Solomon Islands. Information on the enemy situation is sent out via Radiogram 0614.

II. Situation West Area

1. Enemy Situation:

Nothing to report.

2. Own Situation:

Atlantic Coast:

No incidents of importance occurred.

Channel Coast:

From Ol24 to Ol33 our batteries fired on enemy ships located in quadrants BF 3322 and 3321. After the first salvo, the ships withdrew on zigzag courses. Beginning at O245, the long-range battery at St. Margaret on Cliff opened fire on a German convoy off Cape Blanc Nez. An Army battery returned the fire from O251 to O337. From O314 on, the enemy continued a rapid fire. The projectiles struck off Cape Blanc Nez and in front of the soldiers' cemetery west of Sangatte.

A mine-detonating vessel swept a mine at point "Herz 222".

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Except for 2 ground mines swept in quadrant AN 6998, no incidents were reported.

2. Norway, Arctic Ocean:

Enemy Situation:

Through decoding of an Admiralty report, it has become known that during the RAF attack on the PRINZ EUGEN on 17 May 1942 the enemy lost 9 planes, i.e., 7 torpedo bombers, 1 Hudson, and 1 Beaufighter. The report states that in the course of the battle the Beaufighter fired on German destroyers with cannons and machine guns. No further information about the PRINZ EUGEN was contained in this report.

According to an intelligence report from Stockholm, the following forces have been available for the Allied patrol service in the Arctic Ocean since 22 Jul.:

a. Great Britain: 8 submarines, 2 destroyers, 6 PT boats, 1 aircraft carrier, 34 naval planes.

b. <u>U.S.A.</u>: 6 submarines, 1 destroyer, PT boats, 12 naval planes.

c. Russia: 6 submarines, 1 light cruiser, 4 to 6 PT boats, 30 to 40 naval planes.

d. Holland: l submarine and l small cruiser built in 1916.

Reconnaissance in the Arctic Ocean up to Iceland and toward Spitsbergen on 13 Aug. brought no new information. Reconnaissance of the Kara Strait and the Yugor Strait was unsuccessful due to lowlying clouds.

Own Situation:

' No incidents were reported.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

Mine operation "Oppeln" (experimental minefield) in the Skagerrak was executed according to plan. The Danish steam trawler KAP sank southeast of the Lim Fjord as a result of a mine hit. The departure of the Oslo-Aalborg convoy was postponed for 24 hours on account of mines. For the same reason, the routes in the Baltic Sea entrances were temporarily closed.

The Finnish steamer HELEN struck a mine and sank east of Cape Arkona.

Minefield "Seehund III" was laid in the Gulf of Finland according to plan.

Bad weather prevented operations by mine-sweeping pinnaces.

With reference to the demands of the Commander, PT Boats for equipment, materiel, and shelters to be made available in case of a transfer of the 6th PT Boat Flotilla to the Commander, Mine Sweepers, Baltic Sea (see War Diary 12 Aug. and Telegram 1425 of 13 Aug.), Group North points out that the requirements will have to be limited to a minimum. Since the transfer is only temporary, the PT boats will have to be satisfied with temporary installations. For details see Telegram 0911.

With reference to the suggestion of the Commander, Mine Sweepers, Baltic Sea and the request of Group North concerning the transfer of the small coastal mine-laying craft and Italian subchasers from Lake Ladoga to the Gulf of Finland, the Naval Staff calls the attention of Group North to the definite and unequivocal rejection of that request by the Marshal of Finland in his statement to the

German General at the Finnish Headquarters. Therefore, as long as the situation remains basically unchanged, a renewal of this request to the Marshal of Finland is out of the question. The vessels can be transferred only if the Finns on their own agree to have them withdrawn from Lake Ladoga. (See Telegram 1316.)

V. Submarine Warfare

1. Enemy Situation:

Lively reconnaissance activity was reported from coastal waters off Brest. At noon planes in cooperation with a destroyer were engaged in submarine chase. Several submarine sighting reports were intercepted.

At 2200 the U.S. steamer CALIFORNIA reported that she was being attacked by a submarine some 500 miles southwest of the Cape Verde Islands. Other submarine attacks were observed southwest of the Mississippi Delta and in the Windward Passage.

2. Own Situation:

Because of the ice, submarine U "255" is being with-drawn from her position off the Olga Strait. Submarine U "601" has been ordered to ascertain (for operation "Wunderland") the ice conditions off Cape Zhelaniya (northeastern tip of Novaya Zemlya).

In the North Atlantic, radio intelligence intercepted messages from the westbound convoy in quadrant AL 5112, which was to be attacked by group "Loss".

In the western Atlantic, submarine U "98" sighted a southbound convoy of 6 steamers in quadrant OB 3689 but lost contact with it at nightfall.

Several submarines scored gratifying successes in attacking a convoy of 24 steamers in the Windward Passage. Submarine U "658" sank a 7,000 GRT tanker and probably also an 8,000 GRT steamer. Submarine U "600" reported sinking 2 steamers totalling 14,000 GRT and scoring another torpedo hit.

Submarine U "508" torpedoed 2 ships in a convoy of 4 steamers in the western entrance of the Florida Strait and heard sounds of sinking. Anti-detection decoy devices (Bold) were used for the first time with success against a depth-charge attack. The size of each of the 2 steamers was estimated at approximately 8,000 GRT.

In the Mediterranean, submarine U "73" attacked 2 destroyers in the approach to the Strait of La Galite and heard 1 hit. It is not known whether they were sunk.

For further reports see supplement to the submarine situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

On the night of 12 Aug. and on 13 Aug. small numbers of our planes attacked localities on the coast, including Edinburgh. I patrol vessel and 1 vessel apparently serving as living quarters were sunk near Salcombe. On the night of 13 Aug. enemy planes made 35 incursions, 31 of which were over Reich territory. No bombs were dropped but the planes are presumed to have dropped mines. They penetrated as far as Doberan-Treptow-Copenhagen. Balloons with incendiary fuses were shot down near Erfurt. For details of the heavy damage caused in Mainz on the night of 12 Aug. see daily situation report.

2. Mediterranean Theater:

No final results of the offensive operations against the enemy convoy attacked on 13 Aug. have been received so far. Contact with the vessels which reached Malta was maintained up to a point close to the southern coast of the island.

Photographic reconnaissance of Port Said, Suez, and Port Ibrahim failed to yield any new data. For details see daily situation report.

3. Eastern Front:

101 enemy planes were reported shot down on the Army fronts on 12 Aug.

On 12 Aug. 2 steamers of 2,000 GRT each were sunk off Novorossisk, 1 steamer of 500 GRT was sunk off Anapa, and 1 steamer of 600 GRT was sunk in the bay of Temryuk. Other vessels were damaged.

For reconnaissance results see Enemy Situation, Black Sea.

In the Gulf of Finland, I mine sweeper was damaged in Lavansaari.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

According to an intelligence report from Spain, the aircraft carrier FURIOUS, which arrived in Gibraltar on the evening of 12 Aug., entered the dock on 13 Aug. The ship is probably damaged. A destroyer with a damaged bow, probably as a result of collision, arrived in Gibraltar from the east. The ARGUS was in the harbor on 13 Aug. Air reconnaissance reports from the eastern Mediterranean that at 0800 2 cruisers, 4 destroyers, and 7 small vessels were proceeding on a westerly course 60 miles west of Cyprus, while 2 destroyers were south of there. 8 westbound vessels, apparently escort vessels, were sighted off Alexandria.

Operations against the convoy:

It is not yet possible to form a clear picture of the successes scored by Axis planes and submarines during the day and the night of 12 Aug. Worth noting among the numerous separate reports received yesterday are the statements that an aircraft carrier was set on fire by 6 bombs from dive bombers and that an Italian submarine torpedoed a cruiser. With the exception of the heavy forces which turned back around 1930, the enemy convoy passed Cape Bon in easterly direction around midnight. No evidence of the effect of the Italian minefield recently laid in this area has been observed so far. At 0400 the convoy was proceeding 36 miles southwest of Pantelleria and consisted at that time of 3 to 4 cruisers, some 10 destroyers, and about 10 steamers. Later. reports speak of approximately 15 escort vessels, including the UNICORN which is mentioned very vaguely and probably was not there at all, and 9 merchant vessels. German and Italian PT boats and planes were engaged in the operation against the convoy during the night. 4 boats of the 3rd PT Boat Flotilla, which were brought up at top speed, directly from Crete, set 1 steamer of 15,000 GRT on fire with a torpedo hit and torpedoed 1 tanker of 10,000 GRT, 1 tanker of 12,000 GRT, 1 steamer of 8,000 GRT, and probably also another steamer. Since the PT boats encountered strong defense action, they could not wait to watch the ships sink. One of the PT boats suffered slight casualties as a result of a shell hit. All vessels have arrived in Porto Empedocle. No complete reports have as yet been received about the successes of the Italian PT boats. The Air Force General Staff has reported the successes of the German Air Force. They must have increased even further during the morning, because at around 1400 only 4 or 5 merchant vessels and 4 to 6 light escort vessels were reported in the enemy convoy 20 miles west of Malta. Around the same time, 1 damaged aircraft carrier in flames, assumed to be the WASP, was off Bizerte, and 3 other burning ships including I tanker were off Cape Bon. At noon 1 battleship, 1 cruiser, and 4 destroyers were located 26 miles north of Cape Bougaroun returning west. The second battleship and the fourth carrier, which may also be assumed to have turned back and to be en route to Gibraltar, were not located. In the evening 3 cruisers and 4 destroyers were sighted proceeding westward northwest of Malta. These vessels were probably escort forces detached from what was left of the convoy, which in the meantime entered Valletta. As things stand now, no more than 5 or 6 enemy merchant vessels may be assumed to have reached the harbor of Valletta. Since it is pretty certain that 21 merchant ships departed from the Strait of Gibraltar in an easterly direction, the fact that an extraordinary success has been achieved is established beyond doubt. The losses and damages inflicted on the warships, particularly on the aircraft carriers, also represent an all-time high, as far as can be gathered from reports received so far.

As had been expected, the Duce decided against the participation of the fleet in this operation. The Italian cruiser force, which was repeatedly although unsuccessfully attacked by enemy planes on the night of 12 Aug. in the Tyrrhenian Sea, was ordered to return to port.

The 3rd PT Boat Flotilla has been ordered to search for damaged or returning enemy vessels in the area between Cape Bon and Cape

Blanc during the night of 13 Aug. At 2000, 2 boats of the flotilla will depart from Porto Empedocle.

3. Transport of Supplies to North Africa:

Ship traffic from Italy and Greece is at a standstill. On the evening of 12 Aug. 1 transport submarine departed from Taranto for Tripoli. As for the transport of supplies along the North African coast, on the morning of 12 Aug. an enemy submarine sank the OGADEN en route from Benghazi to Tobruk.

4. Area Naval Group South:

Aegean Sea:

Destroyer ZG "3" has arrived in Navarino. Convoy operations proceeded according to plan, with no incidents to report.

Black Sea:

Since according to interpretation of photographs taken on 9 Aug. and according to radio intelligence, the cruiser KRASNY KRIM is evidently undamaged, the vessel sunk by Italian subchasers on 3 Aug. was probably a three-funnel destroyer. This assumption on the part of the Naval Staff is recorded in the War Diary, 3 Aug.

Since the PT boat attack off the Caucasian coast during the night of 10 Aug. was detected by the enemy, there is no objection to announcing the sinking success scored on the preceding night. The Minesweeping Command, Crimea is being dissolved following completion of its special mission.

Convoy operations proceeded according to plan without any incidents.

Special Items:

The Naval Staff has informed Group South and the Admiral, Black Sea that paragraph 1 of Vice Admiral Krancke's instructions is a confirmation of a previous directive of the Naval Staff on the subject, and that, with regard to paragraph 2, the procedure to be followed must be agreed upon with Army Group A.

Group South has submitted a summary of the results reached at the conference with the Naval Liaison Officer to the Army High Command and the representative of the Army General Staff in Bucharest. For copy of the telegram see 1/Skl 19766/42 Gkdos. in War Diary, Part C, Vol. XIV a. The results can be summed up as follows:

- (1) The Army drops the idea of shifting the main supply route for Nikolayev to Sevastopol.
- (2) In the Sea of Azov, the Army demands that in addition to transports from Taganrog to Azov 1,500 tons of supplies be transported daily from Mariupol to Yeisk.
- (3) Even after the execution of operation "Bluecher II" the Army will need landing craft for transporting some troops from Kerch to Taman.

- (4). The Army declares that, due to the inadequate capacity of railroads and other means of land transportation, it is of decisive importance for fast progress of these operations to adapt supply transport by sea to the requirements of the Army operations in the Black Sea area. For this purpose the Army desires that the transport vessels operate as far east as possible, for example, as far as Novorossisk; from there, landing barges will bring the supplies farther up. It is urgent that 6,000 tons of fuel be brought to Novorossisk immediately after its seizure.
- Re: (2) Group South believes that the Sea of Azov must first be cleared of the magnetic mines which were located there. The ship tonnage will be increased by bringing up tugs from the Danube.
- Re: (3) Group South is of the opinion that, after having completed operation "Bluecher II", the landing craft must be released for assignment elsewhere and must therefore be replaced either by Army barges or by additional tugs from the Danube.
- Re: (4) Group South can agree to using small transport vessels for bringing supplies to Sevastopol or even to Feodosiya, as soon as motor mine sweepers and escort vessels become available after termination of operation "Bluecher II". Group South is, however, not in a position to assume responsibility for the transport of supplies to Kerch and to Black Sea ports situated farther to the east unless the routes are thoroughly swept and Russian surface forces eliminated from that area. The steamers, of which there are only 13 available in all, can be used only in the most pressing emergency. The Group therefore suggests concentration of all landing craft (some 35 up to the end of August) and establishment of supply transport routes from Feodosiya or Kerch to Anapa or Novorossisk with intermediate ports, so that 700 tons per day can be delivered. The Admiral, Black Sea would be in control of the traffic and in charge of the escort forces. The supplies would be brought to Kerch or Feodosiya from Nikolayev or Sevastopol by train. In order to keep pace with the over-all situation, the Navy will continue its efforts to expand sea transport to the east as soon as possible.

The Army Quartermaster General, who will transfer to the 11th Army High Command his authority with regard to supplies for Kerch and farther east, is to be the only requisitioning agency of the Army.

Group South suggests that either sea transport for the Air Force be included in the aforementioned arrangement, or a definite amount of tonnage be reserved for the 4th Air Force.

Group South assumes that the reported regulation supersedes the directive transmitted by Vice Admiral Krancke. Group South also mentions the differences of opinion which were caused by that directive, particularly at the command of the Admiral, Black Sea. (See Telegram 2045.)

The only point still to be clarified is whether the authority for requisitioning transports will rest with Army Group A or with the 11th Army High Command.

VIII. Situation East Asia

No noteworthy reports have been received.

IX. Army Situation

1. Russian Front:

Army Group A:

An assault detachment found the southern part of the Taman Peninsula free of enemy troops.

On the Krasnodar sector, enemy attempts to cross the Kuban River in northerly direction were thwarted. Our advance detachments pushed forward up to 50 km southwest of Maikop. The enemy is being mopped up in the wooded area near Pyatigorsk.

Army Group B:

The right wing of the 4th Panzer Army has pushed forward as far as east of the railway station of Chinguta. Near Kletskaya, our troops seized the hills east of that town. The 8th Italian Army took over the defenses on the Don River. Fighting north of Voronezh continues. South of Yelets the enemy renewed his stubborn attacks without lasting effect. The Commanding General of the Russian army in the northern Caucasus, Marshal Budienny, is reported to have been wounded in a low-level attack by our planes on 11 Aug.

Central Army Group:

Our offensive in the Sukhinichi area is slowly gaining ground toward the north. Strong enemy forces brought up from the area southwest of Moscow launched an attack east of Vyazma. Fighting in the Rzhev area continues with varying success.

Northern Army Group:

Local attacks by enemy troops were repulsed.

2. Finnish Front:

No noteworthy fighting was reported.

3. North Africa:

Artillery and patrol activity was reported. Because of the enemy convoy force, German motorized units have been transferred to Sollum and Marsa Matruh. 188 German and 173 Italian tanks are available in this area.

Items of Political Importance

In connection with the question of the second front in Europe, in some quarters the demand is again being made that the project be treated with restraint or even dropped altogether. U.S. Ambassador Stanley in Moscow is said to have made very bitter remarks about the Anglo-American failure to keep the promise given. Churchill's secretary is quoted as saying that the heavy Allied ship losses, which are much more serious than officially admitted, are an important factor in this problem.

India:

The Indian situation greatly preoccupies Britain's allies, and has reportedly led them, particularly the U.S.A. and China, to urge Britain to come to terms with India. The earlier proposal that the Russians, Americans, and Chinese jointly guarantee India's independence - after the war, of course - is again being mentioned.

Japanese circles expect that further German successes in Egypt and in the Caucasus will not fail to influence the attitude of the Moslems in India. But even these Japanese sources warn against over-estimating the importance of the present unrest in India.

Lisbon watches the developments in India with interest because of their possible effect on Portuguese possessions in that area.

Russo-Japanese Relations:

Russo-Japanese relations are receiving more attention in Allied discussions. U.S. circles are convinced that the next target of a Japanese attack will be Vladivostok, and not Australia or Hawaii. The decisive moment will come after the fall of Stalingrad.

According to information from Chungking, some 32 new divisions brought up from Japan and Indo-China are now stationed on the Siberian-Manchurian border. China will open an offensive the moment the Japanese forces are withdrawn from the Chinese front for operations against Russia.

Great Britain:

On 13 Aug. the Production Minister declared once again that the coming 80 days will be the hardest in Britain's history. In Russia, the Volga life line is imperiled; in Egypt, bitter fighting will break out within the next few weeks. To give his listeners some encouragement, Lyttleton added that in July the Allied merchant ship losses decreased, while the number of German submarines destroyed increased and greatly exceeded the previous average. Great Britain will attempt to disrupt German submarine production by attacks on submarine yards and bases.

South America:

According to Italian press reports from Buenos Aires, the U.S.A. intends to establish a naval base at the La Plata estuary. Such a base would constitute a direct strategic threat to Argentina. So far, Uruguay has ceded the following bases to the U.S.A.: Maldonado, Colonia, Piriapolis, Punta del Lobos, Coriti, Punta del Este, and Montevideo.

Conference on the Situation with the Chief, Naval Staff

I. Report by the Deputy Chief, Naval Staff Quartermaster Division:

- l. Group North has submitted a detailed and comprehensive report on Baltic Sea warfare in 1941. The work was prompted by a request of the Nautikus for a contribution on this subject. The Fuehrer showed interest in the report and expressed his appreciation of the effective work performed with such amazingly scanty means.
- 2. The Minister for Armaments and War Production reported to the Fuehrer on the labor situation, pointing out that the withdrawal of shipyard workers and specialists for all phases of submarine warfare jeopardizes the completion of other essential items. The Fuehrer, however, decided that his directive should remain in force. However, the personnel of the naval yards is to be screened once more for the purpose.

The Chief, Naval Staff orders the Naval Construction Division to keep him informed on schedules governing the allocation of workers.

II. Report by the Chief, Naval Ordnance Division

- 1. There is friction between the Commanding Admiral, Norway and the Commanding General, Armed Forces, Norway.
- 2. The Fuehrer order is discussed which provides that in the interest of limited military aid to Japan, deliveries to Japan should not be made dependent on any economic conditions, either financial or in connection with patent rights. In loading submarine I "30", the Japanese have been making extensive use of German generosity.
- 3. The 40,000,000 Mark deficit from the construction cost of the new cruiser "L" delivered to the Russians is to be transferred to a trust company designated for this purpose.
- 4. The guns of the first 15 cm turret on a German destroyer have been harmonized.
- 5. The Commanding Admiral, Group North has expressed appreciation to the Mining and Barrage Inspectorate for its smooth cooperation in placing at the disposal of Group North 24,000 mines and 6,000 anti-sweeping devices.
- III. The Chief of the Underwater Obstacles Branch, Naval Ordnance Division reports that no new firing devices have been found on the enemy mines investigated in Marsa Matruh.
- IV. The Chief, Naval Staff states that no definite indications of an attack on Russia could be found in the large number of Japanese reports.

In a Very Restricted Circle:

V. The Chief, Foreign Affairs Section, Naval Staff Operations Division reports on the question of the treatment of Germans in Guatemala and their repatriation from that country, raised by the Commander in Chief, Navy, as well as on the Fuehrer's approval of the French proposal to use 3 French submarines for supplying the

unoccupied part of Madagascar. For details see War Diary, Part C, Vol. VIII.

VI. Report by the Chief, Operations Branch, Naval Staff Operations Division:

- l. The question of giving up the German positions on Crete has become acute in view of the fact that the Italians proposed to the Armed Forces High Command that they take over the entire island. They argue that the progress of operations in North Africa will make it necessary to assign large Italian troop contingents to Crete and this, in turn, calls for the establishment of a corps headquarters on that island. The Armed Forces High Command Operations Staff intends to use delaying tactics until the arrival of Italian troops makes a decision inevitable. According to a communication from the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters, the Fuehrer showed little inclination to change his dissenting opinion on this matter when the question of Crete was discussed at the conference on the situation, although Vice Admiral Krancke set forth the Naval Staff's views on the subject. The Chief, Naval Staff will raise the issue again at his next report to the Fuehrer.
- 2. The Commanding Admiral, Group South has informed Antonescu about the ordered reorganization of the naval operations head-quarters in the Rumanian area; this report is being submitted. The German Ambassador in Bucharest has asked for a copy. The Commanding Admiral, Group South will comply with the request, making sure that the Foreign Office does not prematurely notify the Armed Forces High Command or the Fuehrer.
- 3. According to information from Admiral Nomura, the Japanese do not intend to launch operations against Siberia. This information should not be taken as absolutely reliable, because experience has proved that Admiral Nomura is by no means always aware of all plans of the Japanese High Command.
- 4. The brief report on the disagreements in the question of transports in the Black Sea area is recorded in War Diary 12 and 13 Aug.
- 5. According to a presumably erroneous report from the Air Force Operations Staff, the African Panzer Army has already started its further attack operations.
- 6. Group North has very grave doubts as to the facts concerning convoy PQ 18. Either, as reported by the press on 10 Aug., the convoy has already entered its ports of destination, proceeding unnoticed under the cover of fog via the shortest route—a possibility which the Naval Staff considers rather unlikely—or the first and only location report by submarine U "407" was erroneous. Group North has issued directions to the Admiral, Arctic Ocean and the 5th Air Force suggesting the following methods for intercepting the convoy with at least some amount of certainty:
- a. A constant submarine patrol should be posted in the Denmark Strait at the ice boundary, extending as far to the west as possible.
- b. The patrols off the Olga Strait and southwest of Spitsbergen are to be withdrawn.

- c. All available submarines in the Harstad-Kirkenes area, including those provided for operation "Wunderland" and for mine operations, should be held ready to depart.
- d. Single long-range fighters equipped with radar should make additional reconnaissance flights over the Bear Island area.

Group North gives its authorization for starting operation "Wunder-land" on 15 Aug.

The Fuehrer was informed of this operation by Vice-Admiral Krancke and did not object. The air reconnaissance which is to precede the operation is already under way.

Special Items:

- I. The Naval Liaison Officer to the Army High Command has submitted the answers of the 18th Army and Group North to the Naval Staff's request for investigation of the chances of an artillery attack on Russian light naval forces in the Kronstadt Bay harbors. (See War Diary 17 Jul. and 10 Aug.). The answer is that artillery fire with air observation, which appears doubtful in view of the strong Russian anti-aircraft defenses, can only be successful if large quantities of ammunition are employed in the operation. Unobserved fire is not very promising either, since the targets are small. The probability of hitting a single submarine has been calculated at 0.96% per 100 rounds. An air attack promises more success. If a special allocation of ammunition can be obtained, flat-trajectory fire from heavy artillery could support the operation by holding down the anti-aircraft fire.
- II. An intelligence report from Sweden of 30 Jul. contains the following statements about the establishment of a second front and other fronts:

"It was learned from a very reliable source that for about the last 8 weeks discussions have been under way in England between the U.S.A., Great Britain, and Russia about the establishment of a second front and possibly additional fronts. The main points in the plan are reported to be the following:

- "l. Energetic action against Finland.
- "2. Landings in northern Scandinavia for the purpose of cutting communications between Finland on the one hand and Norway and Sweden on the other.
- "3. Attacks by waves of planes on French localities on which an agreement has been reached with France in Switzerland.
- "4. Delivery of arms to the French, Belgian, and Dutch populations in the occupied area in preparation for Anglo-American landings.

"The discussions revealed considerable differences of opinion. The plans worked out by the staffs are being examined by a committee of the Anglo-American and Russian Army High Commands. It

is taken for granted that work on the details of the plans will continue all through August so that the establishment of a second or any additional fronts cannot be expected before September. It is said that material required for these operations is not yet available in sufficient quantity. Also the underground air bases established in southern England are said to be still insufficiently developed for this task."

It is to be assumed that these purely military preparations are being carried out regardless of the political decision concerning the establishment of additional fronts in Europe.

Situation 14 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

According to a Daventry report, Allied planes encountered a German warship in the South Atlantic. The report reads as follows: "The pursuit seems to have started on the evening of 11 Aug. when the cruisers picked up distress signals from a ship under attack some 1,000 miles east of Rio de Janeiro. As soon as the cruisers appeared on the scene, the German warship broke off her attack and fled. The cruiser-based planes took up the pursuit and succeeded in spotting the warship for a second time."

At the same time newspapers, including the London Times and the New York Times, were spreading the news that U.S. naval forces, supported by planes, have engaged in a systematic search for a German warship in the South Atlantic. As previously reported by our radio intelligence, no British naval forces were available for rendering aid to the British steamer DALHOUSIE to which all these reports undoubtedly refer. According to the short signal received at 2156, ship "23" has in the meantime reported capturing the DALHOUSIE.

2. Own Situation:

In the above-mentioned short signal, ship "23" also reported that she was shifting her operations area to the large quadrant GM.

The Naval Staff confirmed the message via Radiogram 0100 of 15 Aug.

Since nothing unusual has since been observed and more than 3 days have elapsed between the start of the pursuit and the date of the short signal, it may be concluded that the situation for ship "23" is clear for the time being. However, a stricter surveillance of the South Atlantic is to be expected. The resulting consequences must be taken into account.

All vessels in foreign waters were informed about the enemy reports via Radiogram 1907. Radiogram 2301 contains other enemy reports, further information about the Freetown report of 5 Aug. on the sinking of a British steamer by a PT boat, and the statement that the capture of the GLOUCESTER CASTLE by ship "28" might offer an explanation for the Freetown report. Further information on the enemy situation was issued via Radiogram 0415.

II. Situation West Area

1. Enemy Situation:

According to an intelligence report from unoccupied France and Spain received via Paris dated 14 Aug., an all-out attack of strong enemy forces on German submarine bases on the Atlantic coast is pending.

2. Own Situation:

Atlantic Coast:

The Air Force Operations Staff reports that on 13 Aug. a German BF 110 plane shot down a British bomber over the Bay of Biscay.

No incidents occurred in connection with the naval situation.

Channel Coast:

At 0145 a German convoy sighted 5 enemy motor gunboats off Cape Gris Nez. When fired upon by a patrol vessel, the PT boats turned away. A simultaneous long-range artillery attack resulted in 4 hits in the midst of the convoy, so that it may be possible that the motor gunboats were observers for the artillery. (See Telegram 1850.)

From 0315 to 0325 a force of 2 patrol vessels, "707" and "704", had an engagement with 2 enemy motor gunboats off Jersey. After receiving 15 observed hits, the motor gunboats withdrew in southeasterly direction. Our vessels suffered light damage and casualties. (See Telegram 1740.)

Mine operations of the 4th and 5th PT Boat Flotillas as well as the transfer of the 2nd PT Boat Flotilla to Ijmuiden and execution of mine operation "Bonifacius", are set for the night of 14 Aug.

Operation "Bonifacius" is one of the mine-laying operations planned by Group West in accordance with a suggestion by the Naval Staff (see War Diary 4 May) as a flank cover which would make the Channel routes safe for our vessels and protect our convoys from enemy motor gunboats and mines. The minefields to be laid are "Caesar I", "Caesar II", "Bonifacius", "Bruno I", "Bruno II", "Klara", "Anton I", "Anton II", and "Fritz". They will be located in the center of the Strait of Dover.

3. Special Items:

a. Upon the report by the Chief of the 14th Subchaser

Flotilla about its engagement with enemy motor gunboats and gunboats off Cape Gris Nez on the night of 20 Jul. (see War Diary, 21 Jul.), the Commander in Chief, Navy expressed his special recognition to the Chief of the Flotilla, Lt. Comdr. Wunderlich and to the captain of subchaser "1415", Lt. Perleberg.

b. Group West agrees with the views of the Naval Staff concerning enemy landings in the west area, as set forth in its situation report (see War Diary 20 Jul.). The Group reports that the Army has in the meantime received such large reinforcements that every submarine base, for example, will be defended by one division, which can be reinforced by one or more strong reserve tank units within a very short time.

The Air Force, too, has received reinforcements. In view of these facts and of the daily progress in the construction of field fortifications, the Commanding General, Armed Forces, West is now convinced that even if the enemy succeeds in gaining a foothold in one place or another; he will be thrown out again very soon. The Commanding General, Armed Forces, West therefore fully agrees with the Commanding Admiral, Submarines that no naval installations must be destroyed without prior consultation with the Group Command and the Commanding Admiral, Submarines. The Navy has almost exhausted the possibilities of improving its defense measures against enemy landings. In the opinion of Group West, it is necessary not only to assign another torpedo boat flotilla and another motor mine sweeper flotilla to the west area, in addition to the 6th Motor Mine Sweeper Flotilla, but also to introduce certain new measures in the radar and the radio communication intercept services, to supply heavier armor-plating and more arms for the forces of the Commanding Admiral, Defenses, West, to rearm the PT boats, etc. The Naval Staff has informed its Quartermaster Division and Communications Division of these requests and has asked them to take the necessary steps.

At this opportunity, Group West calls the attention of the Naval Staff to the difficult fuel situation which prohibits many operations otherwise desirable for purposes of reconnaissance and defense of the coastal waters. The laying of the flanking minefields has already made it necessary to draw in advance on the contingents reserved for the coming months. The Naval Staff Operations Division will examine the fuel question, as requested by Group West, in cooperation with the Naval Staff Quartermaster Division.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

No noteworthy reports have been received.

Own Situation:

Enemy air operations on the night of 13 Aug. lead to the assumption that mines were dropped off the Dutch coast, as well as

off the German Bight coast. 3 ground mines were swept north of Terschelling and 1 was swept south of Den Helder. Toward noon, enemy planes damaged lightship "5" on the Wester-Schelde. The ship has been towed in. Naval anti-aircraft guns shot down 2. Spitfires. Execution of mine operation "SW 102" by the 8th Motor Mine Sweeper Flotilla is set for the night of 14 Aug. Convoy operations proceeded as planned without incidents.

2. Norway, Arctic Ocean:

Enemy Situation:

According to an intelligence report, on 5 Aug. a convoy of 15 loaded ships entered Reykjavik. Radio intelligence intercepted messages from 4 vessels in the southern and 2 in the northern approach to the Gorlo Strait.

Own Situation:

Mine-sweeping and convoy operations in the area of the Commanding Admiral, Norway proceeded as planned, with no incidents to report.

On 12 Aug. an enemy battery on the Rybachi Peninsula unsuccessfully fired on a convoy proceeding from Petsamo to Kirkenes. The route between Kristiansand South and Stavanger is again open to shipping. Additional findings about the steamer GEORG L. M. RUSS lead to the assumption that she sank as a result of a submarine attack.

For the directive of Group North to the Admiral, Arctic Ocean, based on its estimate of the situation with regard to convoy PQ 18, see Conference on the Situation with the Chief, Naval Staff. The present disposition of the submarines for an attack on convoy PQ 18 is being discontinued. At noon, the submarines began to withdraw at most economical cruising speed. Submarines U "457" and U "403" have been ordered to occupy positions in the Denmark Strait. 2 submarines will be posted in the area south of Spitsbergen, 1 north of Novaya Zemlya, 1 for patrolling the Matochkin Shar, and 1 for patrolling the Kara Strait. Durings its attempt to refuel submarine U "255", the BV "138" developed engine trouble and had to be towed away.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

On the night of 13 Aug., numerous enemy planes dropped mines in the entrances and the western part of the Baltic Sea.

At 0630 a tug sank southwest of the Drogden light buoy as a result of a ground mine. At 1135 the steamer POLLUX struck a mine in the mined area off Swinemuende and is being towed in. The transport from Aalborg to Oslo has departed. The transports from Danzig to Finland are proceeding as scheduled.

An enemy submarine unsuccessfully attacked a convoy en route between Helsinki and Reval. Submarine chase is under way. Minesweeping and convoy operations in the area of the Commander, Mine Sweepers, Baltic Sea are proceeding according to plan without incidents.

The Commanding Admiral, Baltic Countries reports that on the night of 10 Aug. 8 TMB mines were laid in the Kronstadt Channel. The operation was executed without enemy interference or observation. For details see Telegram 1605.

V. Merchant Shipping

- l. During the week from 26 Jul. to 1 Aug. the ore shipments from Lulea dropped further, reaching 146,185.9 tons, the year's lowest figure for weekly ore shipments. Time and again there were not enough ships. 3 German and 25 Swedish ships were used for these shipments.
- 2. The British Admiralty reports that 23 British shipyards which were closed during the depression have been reopened. A discussion of this report, as well as of other foreign shipping news, is contained in Brief Report No. 25/42 of the News Series "Foreign Merchant Shipping".

VI. Submarine Warfare

1. Enemy Situation:

A bombing attack on a periscope was reported from a location 220 miles south of Iceland. A submarine sighting report was intercepted from 330 miles west of Porcupine Bank.

Off the American east coast, submarine sighting reports were intercepted from the area northwest of Cape Breton and 230 miles southeast of Halifax.

2. Own Situation:

For the regrouping of the submarines stationed in the north area see Situation. Arctic Ocean.

So far, group "Loss" has failed to intercept the convoy in the North Atlantic which was located by the radio intercept service. Submarine U "705" sighted a northwestbound convoy in quadrant AL 4812 but lost sight of it in a rain squall. Submarine U "256" apparently met part of the convoy with a destroyer in quadrant AL 4493 but failed in her attack on the vessels. The operation is being continued.

Submarine U "598" intercepted a westbound convoy of 15 tankers in quadrant DN 4781 and launched a surface attack on the vessels, scoring 2 hits. The submarine was unable to observe further effects of the attack.

6 submarines operating in the South Atlantic are being assembled into Group "Bluecher". The group is to take up attack positions in the area extending from quadrant CE 93 to quadrant CF 85 and to proceed southward in patrol-line formation in order to intercept unescorted ships and convoys.

Submarine U "331" departed from Spezia to the western Mediterranean for operations against the main group of the returning enemy forces. Submarines U "73" and U "205" have been assigned waiting positions in quadrants CJ 76, 78, and 75. In the eastern Mediterranean, submarine U "83" is concentrating her operations on the area north of Port Said, and submarine U "73" on the area east of the longitude of quadrant CP 5146 and north of the latitude of quadrant CP 5298. For further details see supplement to the submarine situation in War Diary, Part B, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

During the day our air forces carried out armed reconnaissance missions and fighter-bomber raids over localities on the coast. Ipswich was raided on the night of 14 Aug. Only a few incursions were made by enemy planes over Norway, Holland, and Belgium.

2. Mediterranean Theater:

No reports have so far been received about any planes shot down during the attack on the enemy convoy.

Reconnaissance missions were flown over the central and eastern Mediterranean.

Photographic reconnaissance was carried out over harbors in the eastern Mediterranean.

Air raids were made on enemy airfields in North Africa. Enemy fighters from Malta have appreciably intensified their activity.

3. Eastern Front:

58 enemy planes were shot down by the forces supporting the Army operations. In the Black Sea, 2 coastal vessels were sunk and 1 small tanker was damaged. During the enemy air raid on airfields of the Kerch Peninsula in the night of 12 Aug. antiaircraft guns brought down 21 of the attacking planes.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

At 1730 a battleship of the RODNEY class and an air-craft carrier of the ILLUSTRIOUS class, as well as 6 destroyers, entered Gibraltar. According to an intelligence report from Spain, the carrier was heavily damaged on both sides. The FURIOUS left dock at 2035. In the night of 13 Aug. the escort forces returning from Malta passed through the Strait of Sicily in westerly direction. Air reconnaissance spotted them repeatedly while they were proceeding at high speed off the Tunisian and Algerian coast. At 1310 the force, consisting of 2 cruisers and 5 destroyers, was located 32 miles northwest of Cape Bougaroun. At 1110 another

destroyer which was returning alone was located 30 miles east of La Galite. At 1000 Italian air reconnaissance reported that the force, with an aircraft carrier, was heading west 30 miles north of Cape de Fer. This would mean that the fourth aircraft carrier, which was not located for quite some time, has been intercepted. Another unidentified vessel proceeding alone on a westerly course was sighted by an Italian submarine 62 miles north-northeast of Cape Serrat at 2050. In the morning German air reconnaissance sighted a large merchant ship in tow and a vessel which was assumed to be an aircraft carrier but was definitely not the UNICORN 40 miles west-southwest of Malta. Details are lacking. At 1630 a German plane sighted a large ship with no superstructure, as well as another large ship and 2 small vessels, proceeding at low speed on an easterly course in approximately the same area. This force was later spotted for a second time 16 miles west-southwest of Malta. Photographic reconnaissance carried out over Valletta at 1830 showed apparently no additional ships in the harbor. However, the reconnaissance was incomplete since part of the harbor was concealed by a smoke screen. It might be that a damaged tanker entered the harbor in the meantime.

According to a French report to the German Armistice Commission, France 500 survivors from the cruiser MANCHESTER and from 3 tankers were set ashore near Cape Bon. They stated that the MANCHESTER was sunk during the night of 12 Aug. The stern of the aircraft carrier which had been sighted north-northeast of Cape Blanc on the afternoon of 12 Aug. and was assumed to be the WASP was in flames. Some time afterwards the fire appeared to subside. No further reports concerning the whereabouts of this vessel have been received.

According to a press report from Algeciras, the EAGLE had 22 fighters and 8 single-engined biplanes on board. The same source reports the sinking of the British destroyer WRESTLER. According to a Reuter report from Cairo, U.S. bomber crews contend that on 10 Aug. they damaged 3 Italian cruisers riding at anchor in the vicinity of Navarino..

As for the eastern Mediterranean, in the morning German air reconnaissance sighted 1 cruiser, 7 escort vessels, 2 tankers, and 3 steamers on a southerly course 25 miles north-northeast of Port Said, as well as a large steamer lying to just east of Port Said. According to an Italian sighting report, a submarine was west of Crete. In addition to the French vessels the number of which is unchanged, photographic reconnaissance showed 6 escort vessels, 11 small warships, 1 hospital ship, 2 tankers, and 10 steamers in Alexandria and 1 warship dummy, 2 cruisers, 4 destroyers, 6 submarines, 1 tanker, and 27 steamers in Port Said. 1 cruiser, 4 destroyers, 6 submarines, 55 steamers, 9 tankers, and 5 transports were in Suez. Merchant tonnage has increased by about 110,000 GRT since 8 Aug.

2. Own Situation, Mediterranean:

In the night of 13 Aug., 2 PT boats were sent to operate against the force of light vessels returning west. Due to engine trouble, the PT boats were unable to reach their area of operations in time and gave up the attack.

On the afternoon of 13 Aug. enemy submarines torpedoed the Italian cruisers BOLZANO and ATTENDOLO off the Lipari Islands. The ATTENDOLO has arrived in Messina. The BOLZANO was beached and will be towed into port.

An Italian destroyer has been sent into the area south of Pantelleria for operations against damaged enemy vessels. 2 damaged Italian PT boats were beached south of Cape Bon. 13 Italian submarines are in the operations area. An Italian PT boat reports scoring a torpedo hit on a destroyer belonging to the enemy escort force returning from Malta off Cape Bon.

At 1800 2 boats of the 3rd PT Boat Flotilla were sent from Porto Empedocle for an attack on the apparently damaged enemy vessels sighted southwest of Malta.

In the night of 13 Aug. enemy planes carried out heavy raids on Tobruk and Marsa Matruh without damaging military or naval installations.

The Italian Liaison Staff with the German Naval Staff has transmitted a list of successes scored by the Italian Navy in its operations against the convoy force. The Italian Navy claims the following successes: the sinking of the cruiser MANCHESTER by a motor torpedo boat, the torpedoing of the FURIOUS and of 3 cruisers by submarines, the torpedoing of another cruiser by a motor torpedo boat, the sinking of 1 tanker and 2 steamers by submarines and of 2 tankers by subchasers, as well as the torpedoing of an unidentified vessel by a submarine and of 2 steamers, one of them 18,000 GRT, by subchasers. For copy of the communication see Telegram 1800.

3. Transport of Supplies to North Africa:

The transport of supplies to North Africa has been resumed. The motor ship RAVELLO departed from Taranto and the motor ship LERICI left Brindisi, both bound for Benghazi.

The tanker STIGE and the steamers SPORTIVO and BIANCHI left Crete for Tobruk. The steamer FOSCOLO left Athens for Benghazi.

Transport of supplies along the North African coast proceeded as planned, with no incidents to report.

959 tons were unloaded in Tobruk on 11 Aug. and 1,109 tons on 12 Aug.

4. Area Naval Group South:

Aegean Sea:

The destroyer ZG "3" departed from Navarino for Suda for an escort assignment but had to return to port because of engine trouble.

All restrictions on movements of unescorted small vessels, with the exception of passenger vessels, have been lifted.

Black Sea:

Enemy Situation:

An intelligence report from a French source states that on 12 Aug. 15 Russian warships of various types, including tankers, were interned by the Turks in the harbor of Samsun.

Own Situation: .

No incidents were reported from the Black Sea.

Special Items:

a. Group South has considered the possible action of the Russian Black Sea fleet after the Germans have occupied the coast up to Tuapse and after the evacuation now in progress has been terminated. Group South has issued the necessary directives to the subordinate commands, and requested the Air Force to take the necessary steps. In the opinion of Group South, most likely the ships will be disarmed, the guns and the personnel employed in land operations, and the vessels will then be sunk. The group assumes that the submarines will in any case remain in the Black Sea and will be able to continue operations for another month or two after the occupation of the last Russian base. The Group does not expect the Turks to interfere with any attempt of the Russian merchant fleet to break through into the Mediterranean.

In view of this situation, Group South considers it necessary that the Air Force concentrate its attacks on Poti and Batum, that photographic reconnaissance be carried out continuously in order to discover the Russian intentions in time, and that air reconnaissance be extended for the same purpose, as well as for the purpose of protecting our transports of supplies. When the time comes, German and Italian naval forces should be prepared to intensify their operations from Tuapse. For copy of the corresponding telegram see 1/Skl 19958/42, Gkdos. in War Diary, Part C, Vol. XIVa.

In connection with the same problem, Group South believes that additional German minefields in the approaches to the straits will be effective only if laid in Turkish territorial waters. The task can therefore be carried out only in agreement with Turkey and at her request. The order for the naval and air forces to attack the Russian warships if they try to break through holds even if the attack is made within Turkish territorial waters. Group South expects that, in case the Russian vessels break through the straits, the necessary forces will be placed at the disposal of the Admiral, Aegean Sea in time and planes will be sent into action, primarily in the Black Sea, in adequate numbers. For the time being it is not intended to redistribute our forces in the Black Sea with a view to these anticipated developments, in order not to interfere with the main tasks.

The Naval Staff will take a stand on the matter.

b. In reply to the request of Group South for mine-sweeping planes against magnetic mines in the Sea of Azov, the Naval Staff asks the Group to reconsider once again whether, in view of the

small number of available planes of this type, the request is necessary and justified. The Naval Staff points out that the minesweeping planes must not be used against German magnetic mines, that magnetic mines with acoustic firing devices cannot be easily swept, and that, under certain conditions, it might be possible to have specialists among the war prisoners remove the Russian mines with the aid of such means as are available. (See Telegram 1027.)

c. Without making reference to the above directive, Group South again requests that several mine-sweeping planes be immediately allocated in order to speed up the sweeping of Russian magnetic mines in the Caspian Sea and off the east coast of the Black Sea. In this new request, Group South refers to a statement by the 4th Air Force, according to which mine-sweeping planes can be obtained from the Commander in Chief, Air Force immediately upon request.

It is inconceivable how the 4th Air Force could make such an incorrect statement.

d. In reply to the Naval Staff's directive mentioned under b, Group South quotes a report by the Naval Shore Commander, Ukraine, stating that the presence of magnetic mines has been confirmed by a number of eye-witnesses, and that, in addition, acoustic mines were laid during the last mine-laying operations by warships during the day and night of 8 Aug. The latter statement is confirmed by the fact that so far the mine hits on the landing craft and Siebel ferries occurred aft. Group South has ordered experts to investigate the matter.

IX. Situation East Asia

The Japanese Headquarters issued an official communique about the losses suffered by the enemy off the Solomon Islands up to 14 Aug. Sunk: 13 British and American cruisers, 9 destroyers, 3 submarines, 10 transports.

Heavily damaged: 1 cruiser, 3 destroyers, 1 transport.

Japanese losses are: 2 cruisers damaged, 21 planes lost.

The U.S. Navy Department reports that the operations in the Solomon Islands area are being continued. According to press reports from MacArthur's headquarters, the Allied fleet is engaged in very heavy fighting.

X. Army Situation

1. Russian Front:

Army Group A:

South of Krasnodar, our troops forced a crossing over the Kuban River at 4 points. The large oil field near Khadikhenskaya was crossed. Slovak divisions have pushed forward as far as the Krasnodar-Khadikhenskaya oil pipeline. The upper course of the Byelaya River has been reached. 2 panzer divisions of the force advancing toward the south were diverted to the east. The 1st Mountain Division reached Teberda and seized Uchkular and Kursuk at the foot of the Elbrus Mountain. Parts of the 23rd Panzer Division occupied Georgievsk and advanced, together with other units, southward as far as Baksansk.

On the front of Army Group A, the enemy lost 309,000 prisoners, 522 tanks, 550 guns, 637 anti-tank and 141 anti-aircraft guns between 1 Jul. and 10 Aug.

Army Group B:

Attacks against the right wing of the 4th Panzer Army from the direction of Lake Tsatsa were repulsed, as were attacks from the north on German and Rumanian positions. The XXIV Panzer Corps is being brought up to reinforce the right wing of the 4th Panzer Army. In the 5th Army area, the Italian motorized division was replaced by the 79th Infantry Division. The enemy renewed his heavy attacks against the eastern and northern fronts of Voronezh. After temporary enemy penetrations, the attacks were repulsed. Particularly heavy were the attacks southeast of Yelets where a penetration had to be sealed off.

Central Army Group:

The thrust toward Byelev and the operation in the Sukhinichi area were slow in gaining ground against strong enemy resistance. East of Vyazma the enemy again penetrated into our positions. Only little ground could be gained by our thrust east of Gzhatsk. East of Sychevka, superior enemy forces succeeded in pushing forward as far as the region of Karmanov. Northeast of Rzhev, superior enemy forces penetrated our withdrawn positions, and succeeded in reaching the Rzhev-Staritsa road at one point. In view of the unbroken offensive power of the enemy, the situation at the Central Army Group is extremely critical.

Northern Army Group:

Enemy attacks against the land bridge of the II Army Corps south of Staraya Russa were resumed from the north and the south. From the south the enemy succeeded in penetrating our lines, necessitating a counterattack on our part.

2. Finnish Front:

Isolated enemy reconnaissance thrusts on the southeastern and northeastern fronts were shattered. At the Loukhi and Kandal-aksha sectors the enemy is digging in.

3. North Africa:

In the night of 13 Aug. advance enemy scout troops were repulsed at the northern sector of our front.

Items of Political Importance

No official reports are available with regard to the question of a second front in Europe and the visit of the Anglo-American statesmen to Moscow in this connection. It seems to be certain that Churchill travelled via Cairo and Teheran. According to the Daily Mail, the British consider that sending the 10th Army to the Caucasus would be an act of desperation which would deprive the forces in Egypt of their last support.

Concerning the Russo-Japanese relations, an informant reports that the usual border clashes in Manchuria have decreased considerably, a fact which is being interpreted as a sign of Russia's yielding attitude, which is understandable enough. Although Japanese military preparations in Manchuria are well advanced, it is not expected that Siberia will be attacked this year.

The situation in India does not show any decisive developments.

France:

The Government categorically denies an assertion of a foreign source that Petain would issue a declaration about France's position in case of an Anglo-American landing on French soil.

It is obvious that such declarations will not be issued before it has become clear what turn the events are going to take!

U.S.A.:

Roosevelt's message to Churchill on the anniversary of the Atlantic Charter reemphasizes that the Charter agreement and the realization of its principles will remain the basis of Allied policy.

Chile:

The President of Chile will visit the U.S.A. in October.

Special Items:

I. During the conference between the Chief of Staff, Naval Staff and Admiral Nomura, the latter touched upon the strategic problems in the Indian Ocean, saying that he expects Japan to be able to start operations in the eastern part of the Indian Ocean toward the end of August or in September and then carry them into the western Indian Ocean. The Admiralty in Tokyo attributes to the Indian Ocean as much importance as does the Naval Staff. Admiral Nomura hinted that the operational tasks would be divided as follows: India: Japanese sphere; Near East: German and Italian sphere; all three powers would cooperate strategically.

The Chief of Staff, Naval Staff pointed out that a common front in the Indian Ocean is the focal point of the over-all strategy in this war.

As for the supplies which submarine I "30" is supposed to take along, the Japanese Admiral requested that financial problems and any other formalities be set aside.

For minutes of the conference see 1/Skl I opa 1590/42 Gkdos. Chefs. in War Diary, Part C, Vol. XV.

- II. Group South transmitted the following statements made by the French Naval Attache in Sofia to the Chief of Staff, Group South:
- l. The French Admiralty believes that the Japanese lost, among other ships, 4 aircraft carriers in the battle off Midway, which means that the balance of power in the Pacific has been restored.
- 2. The French Admiralty assumes that the British will take steps to prevent the maneuverability of the French fleet stationed in Alexandria, unless Egypt is occupied very quickly by a surprise move.
- 3. The French Admiralty believes that it has certain information indicating that the Americans are in possession of a very effective torpedo plane equipped with a new type of torpedo. The French Naval Attache has no knowledge of the details of this new weapon. It may be that the torpedoes are equipped with acoustic warheads.

Situation 15 Aug. 1942

I. War in Foreign Waters.

1. Enemy Situation:

The Naval Attache in Buenos Aires reports that on 9 Aug. the steamer QUEEN ELIZABETH carrying troops in khaki arrived in Rio de Janeiro.

An intelligence report supplements the information about the departure of a convoy from Freetown in the direction of Cape Town on 1 Aug., stating that the escort consisted of 2 battleships, 2 destroyers, and 1 aircraft carrier.

Indian Ocean:

According to an intelligence report from Athens, 2 large convoys, one British and one American, carrying troops and tanks are expected to arrive in the Middle East between 20 and 30 Aug. It is not yet sure whether the U.S. convoy will proceed to the Red Sea.

2. Own Situation:

In reply to an inquiry by the Naval Staff, the Naval Attache in Tokyo communic ated the ports of departure and destination and the cargo of the HERBORG and the MADRONO (see Telegram 1000).

The Naval Staff transmits sailing orders for the auxiliary supply

ship PASSAT to Group West. The ship is to depart from the harbor of western France during the new-moon period in September upon special orders from Group West. She is to supply ship "23" and, if possible, "28". Thereupon she is to get edible fats from Japan and bring them to western France. At 30° W the Naval Staff takes over command.

For copy no. 4 of the sailing order see 1/Skl I k 1553/42 Gkdos. Chefs. in War Diary, Part C, Vol. I.

The Naval Staff transmits to the High Command of the Italian Naval Forces in the Atlantic (Betarom) and to Group West the sailing order and recognition signal table for the Italian blockade-runner PIETRO ORSEOLO. The ship is to bring her cargo to Japan and to return to western France with a cargo of essential materials for Italy and Germany.

Group West will determine her date of departure. The Naval Staff will take over command at 30° W.

For copy no. 4 of the sailing order see 1/Skl I k 1528/42 Gkdos. Chefs. in War Diary, Part C, Vol. I.

On the evening of 14 Aug. Daventry broadcast the following announcement in Dutch:

"Allied cruisers encountered a German warship in the southern part of the Atlantic Ocean. A fierce battle ensued. The pursuit seems to have begun Tuesday late in the evening when the cruisers received distress signals from a ship attacked some 1,000 miles east of Rio de Janeiro. As soon as the cruisers appeared on the scene, the German warship broke off her attack and fled. Planes on board our cruisers took up the pursuit and succeeded in spotting the warship again. The battle continues".

The Naval Staff does not think that the enemy has any indication of the whereabouts of the auxiliary cruiser.

This information is being transmitted to ship "23" and to all'vessels in foreign waters via Radiogram 1429, along with the following directive:

The Naval Staff authorizes ship "23" to shift her operations area. It recommends a temporary withdrawal on account of the search undertaken by the enemy. The ship should act according to her own discretion, since she probably has a better knowledge of the enemy situation through her radio service than is at present available to the Naval Staff.

The SCHLIEMANN has been ordered to depart immediately from her waiting area on a southeasterly course and to take up position in a waiting area within a 250 mile radius of a point 8° farther south than point "Seide" and in the same longitude.

Orders to this effect were sent to the CHARLOTTE SCHLIEMANN via Radiogram 1832.

Radiogram 1914 informs all vessels in foreign waters that the French have been authorized to use 3 French submarines from Dakar for maintaining contact with Madagascar, and that the British

fleet operation in the Mediterranean is nearing its end. The vessels are told that a comprehensive report will follow as soon as the facts can be surveyed.

The German Armistice Commission, France communicates the positions of the French vessels via Telegram 1120, and the German Naval Command, Italy transmits the positions of 8 Swedish ships via Telegram 2400.

II. Situation West Area

1. Enemy Situation:

It is noticeable that rumors about enemy landings in the west area in the next few weeks or in the first half of September are again cropping up. Arcachon near Bordeaux, Les Sables d'Olonne near St. Nazaire, and La Panne near Ostend are mentioned as landing areas. It looks as if all these rumors were being spread on purpose. According to an intelligence report from Portugal, on 10 Aug. an Irish steamer sighted a southbound convoy consisting of 4 troop transports, 5 destroyers, and 3 corvettes 400 miles south of Mizen Head (Ireland). The steamer saw German planes attack the convoy.

2. Own Situation:

Atlantic Coast:

2 ground mines were swept off St. Nazaire and on the convoy route.

Channel Coast:

The mine operation of the 4th and 5th PT Boat Flotillas in the night of 14 Aug. was executed according to plan. For brief report see Telegrams 0730 and 0733. The 5th PT Boat Flotilla had no encounter with the enemy. One group of the 4th PT Boat Flotilla maintained contact with a force of enemy motor gunboats for a short while, but none of the opponents opened fire. 2 boats of the 2nd PT Boat Flotilla have transferred to Boulogne and 5 to Ijmuiden. Shortly after midnight a German convoy en route from Boulogne to Dunkirk had an engagement with enemy PT boats off Cape Gris Nez and was also fired upon by the British long-range battery at St. Margaret on

Cliff. The batteries "Todt", "Grosser Kurfuerst", and an Army battery returned the fire. It is also certain that a harbor patrol vessel west of Dunkirk succeeded in hitting 3 enemy motor gunboats approaching from the west. The enemy withdrew under a smoke screen without returning fire. For brief report see Telegram 1415. At 0340 an Army post south of Barfleur was attacked with hand grenades and small arms. Pursuit of the enemy in the darkness was unsuccessful. After dawn, footprints and a trail indicating the presence of some 6 men and a rubber boat were found on the beach.

Mine operation "Bonifacius" was executed as planned. Mine operation "Akkord" is scheduled for the night of 15 Aug.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

. Enemy Situation:

The steamer and convoy traffic along the south-eastern and eastern coasts was as usual.

Own Situation:

Mine operation "Erasmus 102" was carried out on the night of 14 Aug. according to plan. 5 ground mines were swept off the Frisian Islands on 15 Aug. Convoy operations in the area of the Commanding Admiral, Defenses, North proceeded as scheduled.

At noon enemy reconnaissance planes flew over the Wilhelms-haven and Oldenburg area. In the afternoon 36 enemy planes attacked vessels of the Rhine flotilla off Domburg. 1 vessel has been lost. 4 Spitfires were shot down.

2. Norway, Arctic Ocean:

Enemy Situation:

Reconnaissance in the Arctic Ocean failed to yield any tactical results.

Own Situation:

A Russian mine was swept southwest of Mageroe. A Russian rubber boat, presumably from the Russian submarine attacked off Kiberg on 10 Aug., was found on 11 Aug. It is assumed that aerial mines were dropped in the Brei Sound. 3 Swedish ships authorized to sail overseas departed from Kristiansand South. Convoy operations in the area of the Commanding Admiral, Norway proceeded according to plan.

The Fleet Commander has boarded the dispatch vessel HELA at Trondheim.

With the summer drawing to a close and the nights growing longer, enemy commando raids against the Norwegian coast are again likely to occur. Even though the Commanding Admiral, Defenses, North does not attribute much importance to such raids, our prestige will suffer if the enemy succeeds in damaging our ships and destroying coastal installations, and this fact might in turn induce the enemy to undertake the venture more frequently. The Commanding Admiral, Defenses, North has therefore called this point to the attention of all the offices under his command, reemphasizing the importance of systematic counteraction in all cases where the enemy attempts to harass us or to land troops. (See Telegram 1540.)

The unexplained sinking of the steamers BOLTENHAGEN and GEORG L. M. RUSS leads to the assumption that enemy submarines are using torpedoes that leave no bubble track. Group North has requested the Naval Staff to find out whether there are any data available to support this theory.

The Naval Staff will issue the necessary instructions.

Group North, acting in accord with the Admiral, West Norwegian Coast and the Commanding Admiral, Submarines, has ordered the former to issue new regulations for the escort of submarines on their departure route from Kristiansand. For copy of the communication see 1/Skl 20067/42 Gkdos. in War Diary, Part C, Vol. IV.

Operation "Wunderland":

In his estimate of 14 Aug. the Admiral, Arctic Ocean considers that the conditions are favorable for undertaking operation "Wunderland". He does not expect that any enemy forces will be encountered en route or in the operations area. Upon authorization by Group North, granted in the meantime, the Admiral, Arctic Ocean proposes to have the SCHEER take advantage of the poor visibility and depart with 3 destroyers of the 5th Destroyer Flotilla through the Vest Fjord, simulating a transfer to Trondheim. At dusk, the SCHEER would slip out of the Vest Fjord to the north out of sight of the coast. The departure from the Grimsoe area will depend on the situation. The destroyers will then return to Tromsoe for refueling. The fleet forces will be transferred to the Kaa Fjord where they will take up rendezvous positions according to directive from Group North as soon as the operation has been discovered by the enemy or shortly before the SCHEER sets out on her return voyage from the operations area. If there are reasons to expect enemy countermeasures, the operation will be discontinued.

Therefore whenever an enemy plane flies over the ship she should report it.

Since enemy submarines are presumably patrolling the area, Group North considers the departure through the Vest Fjord undesirable and recommends the Grimsoe area instead.

The Naval Staff has no objections, except that it might be better to leave the decision as to whether to continue the operation or to break it off to the ship's captain in order to avoid an unnecessary interruption of radio silence.

Group North issues a supplementary directive to the Admiral, Arctic Ocean, that the patrol line spotted by air reconnaissance off the Kola coast on 14 Aug. should be annihilated on the return voyage of the SCHEER.

On the basis of the radio intelligence report from Kirkenes, the Admiral, Arctic Ocean does not consider the enemy situation on 15 Aug. clear enough for starting operation "Wunderland", and he therefore intends to wait a little longer. Group North, on the other hand, points out that every delay is harmful, and that the intercepted exchange of enemy radio messages can hardly be of any significance for the operation. The Group states that an early departure under the cover of darkness is desirable; if necessary, the ship should transfer during the first night and depart on the following night.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

The convoy en route from Aalborg to Oslo, with the steamer WURI carrying men on leave, entered Oslo. Convoy and patrol operations in the area of the Commanding Admiral, Defenses, Baltic Sea proceeded according to plan.

The steamers WOLSUM and LEVANTE carrying convicts and Russian war prisoners departed from the Baltic Sea en route to northern Norway.

The Armed Forces High Command Operations Staff has directed that, instead of the 5th Mountain Division, the 3rd Mountain Division be transported from Norway to Finland by sea. The transport is to be speeded up by every possible means.

Convoy operations in the area of the Commander, Mine Swecpers, Baltic Sea proceeded without incident.

Enemy planes attacked a motor mine sweeper group 15 miles north-west of Hungerburg. The motor mine sweeper R "106" was sunk.

V. Submarine Warfare

1. Enemy Situation:

1 British vessel was observed 200 miles northwest and

another one 100 miles south of Porcupine Bank. On 11 Aug. the Dutch submarine C "24" was located off Freetown.

2. Own Situation:

.7 submarines departed from German bases and 2 from harbors in western France.

Submarine U "209" in the Arctic Ocean was notified of the presence of enemy patrol forces in an area extending from south of Novaya Zemlya to the Kara Strait. Submarine U "601" reported the ice boundary 160° and 100 miles off Cape Zhelaniya.

In the North Atlantic, submarine U "705" sighted 4 steamers and 4 destroyers in quadrant AL 4527, and scored 2 torpedo hits on a large steamer. The operation against the convoy in quadrant AL is being continued.

Off the American coast submarine U $^{11}458^{11}$ sank a 3,000 GRT steamer in quadrant BB 8682.

Contact with the convoy west of the Windward Passage was not resumed.

No successes were reported by the submarines in the South Atlantic and in the Mediterranean.

For further reports see supplement to the submarine situation in War Diary, Part B. Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

During the day our air forces carried out armed reconnaissance flights and fighter-bomber attacks over localities on the coast. Sunderland and Great Yarmouth were raided in the night of 15 Aug.

In that night, 60 to 75 enemy planes flew over western German, concentrating their attacks on Duesseldorf. For losses and damage see daily situation report.

2. Mediterranean Theater:

Reconnais sance flights extended over the entire Mediterranean Sea. For results see Enemy Situation, Mediterranean. Fighter thrusts east of El Alamein failed to establish contact with the enemy.

3. Eastern Front:

Reconnais sance flights were carried out over the Black Sea, the Sea of Azov, and the Arctic Ocean. Supporting the Army operations, our fighters shot down 38 and our anti-aircraft guns 8 enemy planes.

4. Special Items:

The Air Force Operations Staff has placed the minesweeping planes and their crews which have been or will be allocated to the Air Force Group Command, Central Area under the administrative command of the latter and the operational command of Group North. The Air Force Group Command, Central Area has been instructed to contact Group North directly in order to arrange for joint action with regard to operations by mine-sweeping planes. (See Telegram 2200.)

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The data on the whereabouts of the large convoy of 2 battleships, 4 aircraft carriers, some 30 cruisers, deströyers, and escort vessels, and 21 steamers and tankers, which departed from the Strait of Gibraltar eastward on 10 Aug., can be summarized as follows:

The following vessels have re-entered Gibraltar:

- On 12 Aug. the FURIOUS (in damaged condition) and 3 destroyers, plus 1 destroyer damaged in a collision.
- On 14 Aug. the RODNEY, 1 damaged aircraft carrier of the ILLUSTRIOUS class, 1 cruiser, and 6 destroyers, 2 of them damaged.
- In the night of 14 Aug. 1 cruiser, 7 destroyers, 4 corvettes, 1 of them damaged.
- On 15 Aug. the NELSON, 1 aircraft carrier of the ILLUSTRIOUS class, 4 cruisers, and 10 destroyers.

At least 2 more cruisers and 5 destroyers which were northwest of Cape Bougaroun on 14 Aug. are expected to arrive at Gibraltar.

Thus, 2 battleships, 3 aircraft carriers, 8 cruisers, and 36 destroyers and escort vessels have entered port. The sinking of the EAGIE, the MANCHESTER, and the destroyer WRESTIER has been established with absolute certainty. Moreover, 3 tankers or steamers sunk off the Tunisian coast have been identified. 4 steamers and 1 tanker were at Malta. As for the fate of the remaining 13 steamers, more information will have to be obtained, possibly from prisoner statements. In particular, it will be necessary to find out how many steamers and tankers actually belonged to the convoy from the very beginning, if we are to form a clear picture of the real extent of our success. These figures are also important for determining whether the convoy was destined for either Malta or Alexandria alone, or for both of them.

The British Admiralty issued a detailed report on the convoy operation. Vice Admiral Syfret was in command of the operation.

The report states that, as a result of the operation, the British convoy succeeded in bringing supplies and reinforcements, including a number of fighter planes, to the fortress of Malta. The attacks by PT boat forces in the Strait of Sicily were identified as such, and movements of the Italian cruiser division, as well as the 2 torpedo hits on the 2 cruisers, were correctly observed. It is claimed that 1 submarine was definitely and another probably sunk. The loss of the MANCHESTER is admitted.

Washington denies any participation of American vessels in the Mediterranean operation.

2. Own Situation, Mediterranean:

The 2 German PT boats operating in the area off Malta failed to sight any enemy vessels.

A belated report states that in the night of 12 Aug. 6 light enemy vessels fired on the harbor installations of Rhodes.

3. Transport of Supplies to North Africa:

The transport of supplies from Italy and Greece to North Africa and along the North African coast proceeded according to plan. No incidents have been reported.

1,007 tons were unloaded in Tobruk on 13 Aug. and 730 on 14 Aug.

4. Area Naval Group South:

Aegean Sea:

Convoy operations proceeded as planned. Destroyer ZG "3" entered Suda on the evening of 14 Aug.

Black Sea:

While leaving Yeisk, one of the vessels of the motor mine sweeper group was sunk by a mine. Further statements by Russian deserters unanimously assert that the last Russian warships to leave laid magnetic and acoustic mines in the approaches to Yeisk.

Referring to the motor mine sweeper lost off Yeisk, Group South points out once again that it is highly probable that there are Russian magnetic and acoustic mines in these waters. The Group therefore requests that mine-sweeping specialists with the necessary equipment and planes be dispatched to Mariupol. It is of importance for mine-sweeping operations in any of the eastern Black Sea harbors to ascertain the type of mines and mine-sweeping methods used by the Russians. (See Telegram 2100.)

If the weather improves, the 1st PT Boat Flotilla will be sent into action off Tuapse and the Italian subchaser flotilla off Novorossisk. 3 Italian submarines are to transfer from Constanta to Ivanbaba.

On the basis of intelligence reports Group South reports that in answer to an inquiry by the U.S. Ambassador in Ankara as to what

measures Turkey might be expected to take if Russian naval forces enter a Turkish harbor, the Turkish Government declared unequivocally that it will proceed in accordance with international maritime law.

According to the experience with the Russian fleet in the Baltic Sea and the personal experience of the former Naval Attache in Moscow, the Naval Staff expects the Russian fleet to fight to their last round of ammunition in the defense of Batum and then to scuttle those vessels which escaped destruction in the battle. Since Turkey is incapable of interning the Russian fleet, it might also try to continue warfare from some bay in Turkish territorial waters, taking along large quantities of supplies. An attempt to break through the Dardanelles appears hopeless, and therefore unlikely. A few runaway vessels might go into voluntary internment. The same applies to the Russian merchant fleet. The Naval Staff communicates these views to Group South, with copies to the Naval Representative on the Armed Forces High Command Operations Staff, the Naval Liaison Officer to the Army General Staff and the Naval Liaison Officer to the Army General Staff and the Naval

The Air Force Operations Staff has ordered the transfer of l mine-sweeping plane hitherto employed by the 3rd Air Force, together with its crew, to Mariupol for a temporary assignment with the 4th Air Force. The 4th Air Force is to work out the operations schedule for the plane in direct consultation with Group South. The Naval Staff has instructed the latter accordingly.

All sorts of rumors are circulating in the Army about the start of supply transport movements from Taganrog, and these must be investigated. It is being asserted that the Navy refused to start the transport of supplies from Taganrog because of the uncertain mine situation and the Russian gunboat menace, whereupon the Siebel ferry battalion ventured the crossing on its own, without the Navy's permission. The Naval Staff has requested Group South to submit the report of the Naval Shore Commander, Ukraine along with its own report on this subject.

VIII. Situation East Asia

The report of the Admiral, Tokyo summarizes the results of the Naval battle off the Solomon Islands as follows:

- 1. On 7 Aug. naval land-based planes damaged 2 destroyers, one of which sank later.
- 2. On 8 Aug. an aerial torpedo attack caused the sinking of 2 heavy and 2 light cruisers, 2 destroyers, and 9 transports; 2 heavy cruisers and 2 transports were set on fire. One of these transports later sank.
- 3. In the night of 8 Aug. a Japanese force consisting of 5 heavy and 2 light cruisers and 1 destroyer encountered an enemy patrol of 4 heavy cruisers off Tulagi. The Japanese immediately launched a gunfire and torpedo attack in which 2 of the enemy cruisers were sunk. A running battle with another enemy force

of 6 cruisers and 8 destroyers east of the first one followed. All enemy vessels, with the exception of 2 badly damaged destroyers, were sunk. The combat range was 3,000 to 6,000 meters. This means that only 2 cruisers and 2 destroyers survived the night battle, while 2 vessels of the AUSTRALIA class, 5 of the SAN FRANCISCO class, and 1 of the OMAHA class were sunk.

- 4. On the morning of 9 Aug. a British cruiser of the ACHILLES class (not a battleship) was sunk by aerial torpedoes 100 miles south of Tulagi.
- 5. On 10 Aug. the remaining enemy naval forces and transport fleet were no longer sighted off Tulagi.
 - 6. Sum total of the sinkings:
 - a. Cruisers: 4 on 8 Aug., 8 in the night of 8 Aug., 1 on 9 Aug. Total: 13.
 - b. Destroyers: 1 on 7 Aug., 2 on 8 Aug., 6 in the night of 8 Aug. Total: 9.
 - 7. The Admiral, Tokyo reports further as follows:
- a. The fighting continues. Since, however, the Americans are not receiving any supplies, the Japanese Navy expects the battle to end soon. Radio communication with Tulagi has been reestablished. Enemy reports about successful seizure of the Solomon Islands are incorrect.
- b. The Japanese air forces in Rabaul recently obtained reinforcements which more than compensate for the losses incurred.
- c. Pricr to and during their attack on the Solomon Islands the Americans evidently tried to prevent Japanese air reconnaissance operations by heavier raids on Rabaul, without, however, achieving any noteworthy success.
- d. South of Timor, light enemy forces were sighted only once; this was off Samuraki 4 or 5 days ago, when they were driven off by Japanese fleet and air forces. No landing was made.
- e. On 11 Aug. Japanese planes attacked the newly-built airfield near Moresby and allegedly destroyed 11 enemy planes.

This report again shows the excellent training of the Japanese forces in night combat and their great superiority in this respect over the enemy fleets.

IX. Army Situation

1. Russian Front:

Army Group A:

Pushing farther in the direction south of Krasnodar, our

troops took Georgievsk, Afipskaya, and Dmitrievka. Advance detachments of the 1st Mountain Division reached the area 10 km south of Teberda in the direction of the Dombai pass. Spearheads of the 23rd Panzer Division are engaged in active air defense operations northeast of Nalchik. The LII Army Corps is advancing from the Elista area toward the southeast.

Army Group B:

Air reconnaissance has disclosed that the enemy is bringing up strong forces from Stalingrad against the right sector of the northern front of the Panzer Army. The 6th Army launched an attack on the northeastern bend of the Don River northwest of Stalingrad with the intention of encircling the enemy forces located in the river bend. The enemy succeeded in reaching the southern bank of the Don River on both sides of the point where the Khoper River flows into the Don. Northwest of Voronezh, a counterattack by our troops resulted in the restoration of our previous main line of resistance. Southeast of Yelets enemy troops extended their breakthrough in westerly direction.

Central Army Group:

Little ground has so far been gained by our thrust toward the Zhizdra River.

All enemy attacks east of Vyazma were repulsed. Enemy planes made it very difficult for the 31st Division to take up its attack position. Enemy attacks in the area south and north, of Rzhev were repulsed with the support of the Air Force. Our troops took back the line northeast of Rzhev.

Northern Army Group:

Enemy attacks against the land bridge southeast of Staraya Russa were repulsed. Our troops succeeded in greatly improving their position at the bridgehead south of Soltsy.

2. Finnish Front:

Local fighting was reported. Otherwise there were no important engagements.

3. North Africa:

The planned defense measures were cancelled in view of the successful action against the enemy convoy in the Mediterranean. Otherwise there was nothing to report.

Items of Political Importance

In an article on the military situation, the <u>Dagens Nyheter</u> properly emphasizes the German victory at Tobruk as a decisive factor in frustrating the Allied plans for a second front. The promises to Molotov were made at a time when it was definitely expected that the Germans would be driven out of North Africa before the end of the summer. In this case the British fleet would have been master of the Mediterranean, leaving enough ships available for a large-scale operation in France. Rommel's victory upset all these calculations and made it impossible for Russia's allies to keep their reluctant promise to Molotov, namely, to advance the date of the offensive originally planned for 1943.

In one of the American periodicals, the British Air Marshal threatens that, as soon as the nights are long enough, a large-scale air offensive will be launched against German cities, including Berlin, with the aim of demoralizing the German people.

In Britain as well as in America the press and the Navy are at odds with regard to security regulations. In London, the dispute was caused by the premature announcement of the loss of the EAGLE in the Daily Express. In the U.S.A., the cause was a report in the Chicago Tribune carelessly revealing information about the Midway Island operation.

Special Items

I. On 5 Aug. the <u>first</u> military conference since Japan's entry into the war was held between the Chief of the Armed Forces Operations Staff, General Jodl (Artillery) Admiral Nomura, and General Banzai. The Germans gave a survey of the Caucasus operation and of the situation in the Near and Middle East. Great Britain cannot afford to lose the Middle East, in view of her oil interests, the Arab question, and the attitude of Turkey. For this reason enemy supply shipments to this area should be attacked by the German Navy in the narrow waters between Africa and America, by Japan, with the aid of surface forces if necessary, along the eastern coast of Africa.

Once Russia is beaten the war will be decided. Japan can help by the above-mentioned operation. The Fuehrer, too, is of the opinion that Japan should not attack the Russian territory in the Far East unless she has definite superiority and the certainty of a quick victory. Otherwise a new theater of war would mean an excessive burden to Japan.

While agreeing in principle with this estimate of the situation, Nomura outlined the following tasks for the Japanese and the German Armed Forces:

for Japan - India, Australia, and the Indian Ocean

for Germany - the Middle East and the Mediterranean.

Preparations by Japan are in progress, only the date remains to be fixed. In view of the considerable strength of the British in the western part of the Indian Ocean, the Japanese fleet can operate there only after careful preparation and after the monsoon period

. 16 Aug. 1942

is over. Japanese submarine operations are being gradually intensified. Japan's tactical and strategical ideas differ from those held by Germany. For the Japanese Navy, the ultimate goal is to annihilate the naval forces of the enemy in order to obtain control of the seas. Germany, whose surface forces are weak, must confine herself to submarine attacks on merchant ships. The Japanese Navy has to control 3 fronts: in the east, the south, and the west. More would be too much. Japan will gradually push ahead by way of India, while Germany and Italy should advance similarly in the Middle East. Too much must not be demanded of Japan.

The Naval Staff is of the opinion that in a coalition war the individual powers must sometimes subordinate their own objectives to a common interest.

General Banzai said that 1 1/2 years ago it was decided that Japan should launch an offensive in the south although she would have preferred to attack the enemy in the north. Now it is difficult to carry the attack to the north, too. The Army might still be in a position to do so, but the Air Force would have to cope with too many tasks in areas too wide apart. China is consuming too much of the Japanese Air Force. Germany must give Japan time for a thorough preparation. The German offensive in Egypt is important.

From now on, such discussions are to be held approximately every 4 weeks.

The Naval Staff sincerely welcomes the fact that a German military commander of authority finally initiated discussions with Japan on the common objectives and tasks of Germany and Japan in the present war. The Naval Staff has been constantly pursuing this course with notable success, particularly in getting the Japanese war leaders to cooperate with the German policy, as recognized by General Jodl himself.

II. According to a noteworthy agent report transmitted by the Air Force Operations Staff on 5 Aug., a committee of 5 U.S. naval experts surveyed Vladivostok and the Amur Bay in April 1943 in order to examine the defensive capacity of this area against a Japanese attack. The findings were extremely unsatisfactory for the enemy. Neither by themselves nor with American aid would the Russians be able to defend Vladivostok. On the contrary, Japan could overrun the entire eastern part of Siberia as far as Lake Baikal with only 30 divisions. Thus the committee had to confine itself to determining what should be moved in time to be saved and what should be destroyed. The situation in eastern Siberia causes great concern in Washington, particularly since the Russians know how to use the threat of a separate peace for extorting any desired aid from the Allies. The entire burden of the defense in the Far East will have to be borne by the U.S.A., since the German view that the most important part of Russia lies in Asia is regarded as incorrect.

This is not a German view, but the logical aim of the German policy intended to bring about a situation which would push such a formidable neighbor away from Europe. After all, this was the very purpose of the German attack in 1941!

III. The negotiations between the Naval High Command, General Administration Bureau, Recruitment Division and the Armed Forces High Command about further replacements for the Navy, chances of which appear unfavorable, have demonstrated the following:

Replacements required for the period from 1 Aug. 1942 to 30 Sep. 1943:

1.	For shore duty	85,500 men
2.	For shipboard duty, exclusive of submarines	41,500 men
3.	For submarines	18,000 men
4.	Replacements for casualties, etc.	33,000 men
5.	Replacements for personnel transferred to shipyards	3,200 men
Total requirements, exclusive of reserves		181,000

Available:

Of those already inducted, those subject to service,

and the rest of the 24 and 25 year old naval reservists: 110,100

Hence, replacements required but not available

71,000

The effect will be that not only will it be impossible to make personnel available for shore duty, but any unscheduled requirements which arise in the operations areas will have to be met partly by withdrawing personnel from shore duty. This will result in a constant decrease of personnel, particularly in naval artillery and coastal defenses.

This survey of naval requirements demonstrates to what a critical extent the expansion of the war has strained our manpower situation. Since the war is expected to continue for some time, this factor should be given the most serious consideration.

- IV. A new <u>Supplies and Fuel Branch</u> has been established within the Naval Staff Quartermaster Division, under Rear Admiral (Engineer) Dr. Luettge.
- V. According to a communication from the Naval Liaison Officer to the Air Force Operations Staff dated 12 Aug., the Commander in Chief, Air Force has asked the Commanding General, Armed Forces, South to report on the problem of mining the Strait of Sicily through which 62 British vessels again passed unimpeded on the night of 11 Aug.

When the Caucasian offensive is finished (in about 3 weeks), the 4th Air Force will have to transfer a large proportion of its planes to the 1st Air Force which in the meantime is making preparations for an attack on Leningrad.

Since visibility on the night of 11 Aug. was poor, the enemy air raid on Mainz on that night could only have been carried out by means of radio navigation (planes guided by radio beams).

Since unfortunately no other mines are available, the 5th Air Force has been ordered to lay immediately BM 1000 mines off Archangel.

Situation 16 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

Disposition of British naval forces on 1 Aug.:

At home: 8 battleships, 6 aircraft carriers, 31 cruisers

In Canada: 1 battleship, 1 aircraft carrier, 1 cruiser

U.S. West Coast: 1 battleship, 5 cruisers, 3 auxiliary cruisers

Freetown: 1 aircraft carrier, 4 cruisers, 8 auxiliary cruiser

Cape Area: 4 cruisers

Gibraltar: 1 aircraft carrier, 5 cruisers

Indian Ocean: 5 battleships, 3 aircraft carriers, 11 cruisers,

6 auxiliary cruisers

Australia: 3 or 4 cruisers, 5 auxiliary cruisers

For disposition of individual vessels see Radiogram 2351.

No further reports have been received.

2. Own Situation:

At 0317 ship "28" sent a short signal reporting the silent capture and sinking* of steamer ARABISTAN (5,874 GRT) in large quadrant FU and that she has shifted her operations area to the southern part of the South Atlantic. Since information at her disposal is inadequate, ship "28" asks for a report on the enemy situation.

The Naval Staff sent its confirmation via Radiogram 0511.

This report is particularly reassuring because it proves that the situation is still clear for ship "28", although the American press has been spreading news about a search operation by U.S. cruisers in the South Atlantic. The ship's withdrawal to the southern part of the South Atlantic was absolutely appropriate. The sinking of the ARABISTAN brings the total tonnage sunk by this successful auxiliary cruiser up to more than 62,000 GRT.

^{*} Silent capture: a method of attack which prevented the victim from sending out radio messages. The raiding ship's airplane would swoop down on the ship in a surprise attack and cut her antennas.

All vessels in foreign waters are being notified about the disposition of British naval forces on 1 Aug. via Radiogram 2351, about developments concerning Argentina's and Chile's neutrality via Radiogram 1141, and about the enemy situation via Radiogram 1918.

Via Telegram 0505 the Naval Staff is sending the German Admiral in Tokyo a report on the operation against the Mediterranean convoy for information of the Japanese Naval Staff.

II. Situation West Area

1. Enemy Situation:

According to radio intelligence, a British task force commander reported at 2305 that he had intended to board a German vessel but was unable to do so because the vessel was on fire. Her crew has been taken aboard. The British vessels are carrying war prisoners.

2. . Own Situation:

Atlantic Coast:

No incidents were reported.

Channel Coast:

At 0255, 5 vessels of the 4th PT Boat Flotilla entered Hook of Holland. 4 vessels of the 5th PT Boat Flotilla are scheduled to carry out a mine operation on the night of 16 Aug., and PT boats S "104" and "105" are scheduled to transfer from Boulogne to Ijmuiden on that night. Mine operation "Akkord" has been executed according to plan. Operations "Fritz" and "Arbeiter" are scheduled for the night of 16 Aug.

At 2228 our motor mine sweepers made contact with enemy motor gunboats in quadrant AN 7997. Details are still lacking. (See also Enemy Situation.)

From 2211 to 2216 the batteries "Grossdeutschland", "Todt", and "Grosser Kurfuerst", as well as the 702nd Army Artillery Battalion fired 14 rounds in retaliation for the gunfire attack on our vessels by the British battery at St. Margaret on Cliff. At 2343, the battery "Grosser Kurfuerst" and the 2nd Naval Coastal Artillery Battalion opened fire on a burning enemy vessel in quadrant AN 79.

III. North Sea. Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

No reports of interest were received.

Own Situation:

On the night of 15 Aug. enemy planes were active over the German Bight. It is assumed that mines were dropped on the convoy routes north of Schiermonnikoog and Borkum. Our night fighters failed to establish contact with the enemy. Between 0206 and 0235 an enemy courier plane flew from England to Sweden via Skagerrak.

The mine-detonating vessel "160" which was proceeding ahead of convoy no. 1870, consisting of torpedo boat JAGUAR, 8 steamers totalling 31,548 GRT, 3 patrol vessels, and 1 mine sweeper, en route from Hook of Holland to the Elbe River sank off the Dutch coast after striking a mine. During the afternoon enemy planes were active over the Dutch coast. It was observed that 4 bombs or mines were dropped in the North Sea Canal off Ijmuiden. 2 Spitfires made a low-level attack on Schouwen Island. 1 plane flew over Wilhelm-shaven, penetrating as far as the Berlin area, and returned by the same route.

3 ground mines were swept in the Borkum area.

Mine operation "SW 101" has been executed according to plan.

2. Norway:

On 14 Aug. the enemy battery on the Rybachi Peninsula fired 6 rounds on the entrance to the Petsamo Fjord without causing any damage. On 15 Aug. Norwegian fishermen sighted a surfaced Russian submarine east of Kyberg. Single Russian planes were operating over the Arctic coast.

Protective nets have been laid off the Sweden pier and the oil pier in Petsamo.

The mine layer ULM, the destroyer Z "23", and the torpedo boats T "9" and T "12" passed through Kristiansand South in northerly direction.

The areas of Narvik, Tromsoe, Hammerfest, and Kristiansand South have been placed on first-degree alert on account of poor visibility.

Convoy and mine-sweeping operations proceeded according to plan without noteworthy incidents.

3. Arctic Ocean:

Enemy Situation:

On 15 Aug. air reconnaissance spotted 3 small steamers and 3 barges in Kharakovo and 1 small harbor patrol vessel in each of the bays northwest and east-northeast of Kharakovo. Air reconnaissance also reports an unbroken thin ice cover in the Kara Strait.

Own Situation:

Asked by the Admiral, Arctic Ocean on what basis Group North assumes that convoy PQ 18 has reached its port of destination, the Naval Staff refers the Admiral to the press report, which the Naval Staff considers was released for deceptive purposes, since no time was mentioned.

Group North also communicates this opinion of the Naval Staff to the Admiral, Arctic Ocean, with copy to the 5th Air Force, stating that the Navy and the Air Force have exhausted their means of intercepting convoy PQ 18 and that no success can be expected from carrying on the search. According to Group North, it is of foremost importance to keep the submarine positions in the Denmark Strait continuously occupied in order to ascertain the departure of the convoy in time. As soon as the first definite report is received, the submarines posted in the harbors must proceed to take up positions west of Spitsbergen or in the Bear Island Strait with as much speed as visibility and weather conditions permit. If necessary, they should also take up positions at the entrance to the White Sea. Submarines committed to other tasks should in each case be re-directed toward the most valuable target, which is generally a PQ convoy.

The Naval Staff agrees with this directive.

The Admiral, Arctic Ocean reports that operation "Wunderland" was started from the Bogen Bay at 1700. At 2300, the SCHEER was in the northern outlet of the Grimsoestraumen.

The Naval Staff has informed Group North, the Commanding Admiral, Norway, the Fleet, the Commanding Admiral, Cruisers, and the Admiral, Arctic Ocean about the prisoner statements according to which convoys from England to Archangel started as early as 1941. During the winter of 1941-1942, the harbor was kept open until the end of January by the ice-breaker LENIN which had worked all through the winter of 1940-1941. Ships dock at the piers. The harbor is not fortified. There is an airfield on Keg Island. The Naval Staff has called the attention of the Air Force Operations Staff to the possibilities of a successful operation against this target.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

A Finnish source reports that on the evening of 15 Aug. an enemy submarine was located approximately 1 mile north of Hogland and that she was attacked by Finnish patrol vessels.

2. Own Situation:

On 15 Aug. the Norwegian steamer LOG (1,510 GRT) sank in the Kaiser Wilhelm Canal at Km 86.5. Ships not exceeding 10,000 GRT in tonnage, 20 m in width, and 8 m in draft are able to pass through the canal. The Swedish steamer MARY collided with another steamer lying at anchor off Buelk and was beached. A total of 4 ground mines were swept in the Fehmarn Belt, the Great Belt, and the Kattegat.

Enemy planes are increasing their activity over the Gulf of Finland. Motor mine sweeper R "106" was attacked from the air and destroyed in the southern part of the "Seeigel" minefield. 12 enemy planes bombed and strafed mine layer M "29" south of Vigrund, causing a number of casualties. 13 bombers unsuccessfully attacked the 3rd Mine Sweeper Flotilla south of Tytersaari. 2 of the planes were set on fire. Mine-sweeping, convoy, and patrol operations in the

area of the Commander, Mine Sweepers, Baltic Sea proceeded according to plan.

The 1st Air Force has repeatedly rejected all the urgent demands by the Commander, Mine Sweepers, Baltic Sea for fighter protection. The Commanding Admiral, Group North has therefore instructed the Commander, Mine Sweepers, Baltic Sea to withdraw the naval forces from the most imperiled area pending the arrival of the indispensable fighter protection, so as to avoid losses to our forces and prevent easy victories by the Russian Air Force. The Commanding Admiral, Group North has requested the Naval Staff to use its influence in bringing about the allocation of adequate forces to the 1st Air Force in view of the fact that naval warfare cannot be carried on in coastal waters close to the enemy's shore without air support.

The Naval Staff is taking the necessary steps.

V. Submarine Warfare

1. Enemy Situation:

Both groups and the Iceland forces maintained lively reconnaissance activity. From the Bay of Biscay alone we intercepted 4 submarine sighting reports and 4 reports on air attacks against submarines sent by planes. Other submarine sighting reports were intercepted from some 370 miles northwest of Porcupine Bank and 110 miles south of Rockall Bank. British vessels were located 250 miles northwest of Cape Ortegal as well as about 50 miles from that position and also 300 miles northwest of Porcupine Bank.

In the West Indies area, submarine sighting reports were picked up from the Florida Strait, the Windward Passage, east of Martinique, and from the area about 400 miles southeast of Trinidad.

2. Own Situation:

Disposition of submarines:

In the Arctic Ocean, 8 submarines are at their positions, 2 are en route to and 3 are en route from the operations area. 8 submarines are in the harbors.

In the Atlantic Ocean, 36 submarines are in the operations area. 4 submarines have departed from the harbors of western France and 16 from Germany. 15 submarines are en route back to their bases.

1 submarine is in the area of northern Scotland and Iceland.

5 submarines are in the operations area of the South Atlantic group, while 8 have departed for that area.

In the <u>Mediterranean</u>, 4 submarines are operating at sea, 2 have departed from base and 1 is returning to base. 8 submarines are in the harbors and bases.

5 submarine tankers are at sea.

No successes have as yet been achieved against the convoy assumed to be in quadrant AL.

Submarine U "596" sank the evidently unescorted Swedish steamer SUECIA (3,730 GRT) in quadrant AL 4189.

Submarine U "294" returning from the operations area evaded a three-fan in quadrant BE 6686, 250 miles northwest of Cape Ortegal (see Enemy Situation). This confirms the assumption that the enemy is also using submarines to fight our submarines in the outer part of the Bay of Biscay.

Nothing noteworthy has been reported from the American east coast.

Since the ship traffic in the Trinidad area has undergone changes due to the appearance of large numbers of our submarines, they have been assigned new attack areas directly off the harbors wherever possible. No reports of successes in this area were received.

Of the group operating in the South Atlantic, submarine U "752" sank an 8,000 GRT steamer in quadrant ET 9317 on 13 Aug. 5 (later 6) boats of the "Bluecher" group are scheduled to attack a convoy which was located in quadrant CG 7357.

Since the Commander, Submarines, Italy does not expect any further enemy operations in the western Mediterranean before the end of August, the Naval Staff agreed by telephone to his suggestion that the submarines employed in that area be transferred to the eastern Mediterranean.

For further reports see supplement to the submarine situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Bad weather hampered recommaissance operations. 3 enemy planes were shot down near Fance. In the night of 16 Aug. our planes attacked airfields in the Nottingham area. Enemy planes made 30 to 35 incursions into the Reich area on that night, penetrating as far as Rostock, Stolp, Bornholm, and Kallundborg. One of the planes flew as far as Gdynia. No bombings were observed. It is to be assumed that the planes have been dropping mines. For incursions during the day see Situation, North Sea.

2. Mediterranean Theater:

Our planes carried out a number of reconnaissance missions. For results see Enemy Situation, Mediterranean.

3. Eastern Front:

In the Black Sea, 2 small vessels were sunk and 2 others damaged off Temryuk. 3 medium-sized steamers were damaged in the harbor and the roadstead of Novorossisk. 1 steamer was damaged and

1 coastal vessel was sunk off Gelendzhik.

VII. Warfare in the Mediterranean and the Black Sea

1: Enemy Situation, Mediterranean:

An aircraft carrier of the ILLUSTRIOUS class, which docked in Gibralter on 15 Aug., left dock at noon. In the night of 15 Aug. 1 battleship of the RODNEY class, the FURIOUS, 1 ship of the ILLUSTRIOUS class, and 1 cruiser departed from Gibraltar, presumably in westerly direction. On 16 Aug. at noon 2 more cruisers and 1 destroyer left Gibraltar, presumably also for the west. At 1400 the NELSON, 1 aircraft carrier of the ILLUSTRIOUS class, 1 cruiser of the FIJI class, and another cruiser, as well as the ARGUS (in dock), were observed in the harbor.

According to an intelligence report from an unconfirmed source, the vessels in Gibraltar showed the following damage:

The starboard anti-aircraft gun mount of the ILLUSTRIOUS was hit by a bomb. 2 guns are missing. The bomb penetrated 2 decks and exploded 20 feet above the waterline, tearing a hole of approximately 7 meters in diameter in the ship's side. Another hit, presumably from a gun, can be seen on the port side at the level of the bridge. The hole in the ship's side is about 5 meters large.

The RODNEY was hit by a torpedo on the port side. Details are lacking. (The torpedo might have been fired by an Italian submarine.)

The bow of a DIDO-class cruiser was hit by a torpedo from a sub-marine.

The bow of a FIJI-class cruiser was torn off.

The bows of 2 destroyers are badly damaged, apparently as a result of a collision.

Air reconnaissance observed lively submarine activity off the western coast of Greece.

Only few convoys were observed off the Palestinian coast.

2. Own Situation:

No incidents were reported.

3. Transport of Supplies to North Africa:

On 15 Aug. at 1830 an enemy submarine torpedoed the Italian motor ship LERICI (6,000 GRT) off the western coast of Crete. The attempt to bring the ship into Navarino failed. An Italian destroyer sank the steamer on 16 Aug. at noon.

An enemy submarine and planes attacked the convoy of the steamer MENES en route from Benghazi to Suda. Enemy planes attacked the

SPORTIVO and BIANCHI convoy en route from Suda to Tobruk. No reports about the arrival of the ships have been received so far. Otherwise the transport of supplies proceeded according to plan.

4. Area Naval Group South:

Aegean Sea:

Convoy operations proceeded as planned. The destroyer ZG "3" will be relieved en route by an Italian destroyer and will then proceed to Suda.

Black Sea:

Enemy Situation:

Air reconnaissance reports that there are no longer any seaworthy vessels to be seen in Novorossisk. The hull of 1 warship, 4 tankers, 4 steamers, and 2 floating cranes were observed in Tuapse. On 15 Aug. the KRASNY KRIM, 1 flotilla leader, and 2 destroyers were located at sea. Little traffic was observed off the eastern Black Sea coast.

Own Situation:

Convoy operations proceeded according to plan.

5. Special Items:

(1) Group South has transmitted the following report about the plans of the Admiral, Black Sea to the Naval Liaison Officer with the Army High Command, with copy to the Naval Staff:

After the occupation of Novorossisk the supply transport route is to be swept free of mines. The supplies from the Rumanian and Russian areas will be brought by steamer to Balaklava where they will be transferred to landing barges. From Balaklava the cargo will be transported by landing barges via the coastal route swept free of mines to Novorossisk escorted by the 3rd Motor Mine Sweeper Flotilla, with long-range reconnaissance and close escort by the 4th Air Force. The transport of supplies from Kerch to Novorossisk will begin simultaneously.

The Group remarks that Sevastopol and Feodosiya cannot be used as ports of transshipment for the time being since no mine-sweeping devices are as yet available for the removal of influence mines. In addition to the landing barges scheduled to participate in operation "Bluecher", 8 landing barges will be ready for transport operations in the Crimean harbors on 18 Aug. This date depends on the final outcome of the investigation concerning Russian acoustic and magnetic mines. (See Telegram 1340.)

(2) Group South announces that the Naval Shore Commander, Ukraine has been asked to report on the rumors that the Navy is not doing its part in transports to Azov. Apart from this, Group South states that it is the duty of the responsible Naval Shore Commander to see to it that supply transport routes are free of mines. The date set by Army Group A as the latest on which the transports should begin, i.e., 4 Aug., was met. Even if it is true that the Siebel ferry detachment started the transport operation on its own initiative

against the orders of the Naval Shore Commander, the fact that no losses occurred during this operation can by no means be attributed to the special courage of the participants but rather to their good luck which has nothing to do with actual responsibility in the military sense. (See Telegram 1340.)

This is exactly the opinion of the Naval Staff.

(3) Group South does not recommend the use of submarine DELFINUL for transport operations because her loading capacity is not great enough to be worth while; also, being a Rumanian vessel, the DELFINUL would have to be handled with particular care, with the result that her use would hardly be more time-saving than that of a surface ship (see Telegram 1340).

The Naval Staff agrees with this viewpoint.

VIII. Situation East Asia

No noteworthy reports have been received.

IX. Army Situation

1. Russian Front:

Army Group A:

Neftegorsk has been captured. Advance detachments are marching toward Alekseyevskoye. Spearheads of the XLIX Mountain Corps are engaged in a fight with strong enemy forces 10 km north-west of the Klukhor Pass. Another unit of the Mountain Corps is advancing toward the Chiper Asau Pass on the southwest edge of the Elbrus Mountain without having made contact with the enemy. The 3rd Panzer Division of the XL Panzer Corps is near Baksan, while the 23rd Panzer Division of this corps took Soldatskaya.

Army Group B:

The attack on the right wing of the 4th Panzer Army was repulsed. The 6th Army mopped up the enemy forces in the Don River bend on the western and northern banks of the river. Enemy attacks south of the point where the Bityug River flows into the Don, as well as south of Voronezh, and at the point of penetration southeast and south of Yelets were repulsed. The enemy continued to bring up reinforcements along the entire front.

Central Army Group:

Our troops continue their operation in the Sukhinichi area against stubborn enemy resistance. Enemy attacks southeast of Vyazma were repulsed. By attacking our southern position south of Rzhev, the enemy widened the breach in our lines. All other enemy attacks were repulsed. New strong enemy tank attacks were directed against our main line of resistance which had been withdrawn east of Rzhev.

Northern Army Group:

Enemy attacks north of the land bridge south of Lake Ilmen were repulsed. The enemy, attacking from the south, penetrated the position of the SS Death's Head unit. A counterattack is under way. Heavy enemy attacks near Soltsy were repulsed. Southeast of Leningrad the enemy succeeded in penetrating our position at the railroad line near Kolpino.

2. Finnish Front:

No noteworthy fighting was reported.

3. North Africa:

Enemy patrol operations and lively air activity are reported from the central and southern sectors. Enemy artillery attacks, at times very strong, were directed against our northern sector. On the night of 14 Aug. an enemy assault detachment landed on the coast near El Daba. After inflicting minor damage on our motor vehicles, the detachment made an attempt to break through to the British lines in the east.

Items of Political Importance

The Moscow Conference:

Reuter has published an official British communique on the meeting between Churchill and Stalin in Moscow. The conferences lasted from 12 to 15 Aug. Wavell, Sir Alexander Cadogan, Alan Brooke, Harriman, as well as Molotov and Voroshilov, were among those attending the conferences. The communique states that a number of decisions were made concerning the war against Hitler Germany and her allies in Europe. The two governments are determined to carry on this war of liberation with all the forces at their disposal and with utmost energy until Hitlerism as well as any other tyranny of the same kind are completely annihilated. Harriman represented Roosevelt at these conferences, which were conducted in a spirit of cordiality and complete sincerity. Churchill and Harriman left Moscow on 17 Aug.

Turkey:

According to a statement of a Turkish diplomat, even a German victory in the Caucasus or the collapse of Russia will not induce Turkey to give up her neutrality, especially if the war between the Anglo-Americans and the Germans continues. Turkey, too, is a sea power and has to act accordingly.

Italy:

The Associated Press reports that a Pan-American conference of "Free Italians" in Montevideo has established a "government" under Count Sforza.

Conference on the Situation with the Chief, Naval Staff

I. In view of the great successes achieved by ship "28", the Chief, Naval Staff has ordered that the commander of the ship, Comdr. von Ruckdeschel be promoted to captain.

In view of the obviously poor training of U.S. warships in night combat, evidenced during the recent battle off the Solomon Islands, all auxiliary cruisers should be informed accordingly. The Naval Staff will take the necessary steps.

II. The Naval Staff is of the opinion that the enemy convoy in the Mediterranean carried supplies for Malta. The large number of transports used in this operation was meant to anticipate losses. The aircraft carriers were primarily designed to furnish fighter protection for the convoy, aside from the task of transporting planes to Malta which probably was of secondary importance. Following the heavy losses suffered early in July, the enemy may be assumed to have expected a better chance for fighting off our air attacks since the sky was clear and the barometer high. Besides, the prevailing weather conditions are unfavorable for

submarine attacks. The battleships had to be sent along in order to protect the aircraft carriers.

According to reports received so far, 5 steamers, including 1 tanker, have reached Malta. The escort forces accompanying the convoy have returned from Malta to Gibraltar.

This fact constitutes a striking demonstration of the inadequacy of the mine barrage in the Strait of Sicily. The Naval Staff will take further steps to block the passage completely by mines.

So far, the following enemy losses have been established: the EAGLE and the MANCHESTER sunk, 2 aircraft carriers definitely damaged, the RODNEY, 1 cruiser, and 2 destroyers probably damaged.

Further information is expected from prisoner statements.

The Naval Staff does not consider it likely that the British would try to get a considerable amount of supplies to Egypt by way of the Western Mediterranean. In any case, the enemy has to expect such high losses in the Mediterranean that in comparison the longer route around the Cape would be more advantageous.

The Naval Staff has sent this opinion to the Armed Forces High Command Operations Staff, with copy to the German Naval Command, Italy, Group South, the Naval Liaison Officer to the Air Force Operations Staff, and the Naval Liaison Officer to the Army General Staff.

III. With regard to the assumption of Group South that the enemy has laid magnetic mines with acoustic firing devices off Yeisk and Akhtari, the Naval Staff states that, in addition to landing barges and motor mine sweepers, there are also the vessels of the Danube flotilla, the steamer BAIKAL, and 2 Rumanian vedette boats which are suitable for sweeping mines in the Black Sea area. The Naval Staff is trying to replace the only mine-detonating vessel which was available and has been lost.

IV. The Chief, Naval Staff Communications Division reports that today the most important information for decoding Anglo-American radio messages was handed over to the Japanese to be taken along by submarine I "30". As for the Japanese decoding service, the Chief, Naval Staff Communications Division does not think that it can keep pace with our own achievements. The Japanese designate as valuable many of the enemy reports which we transmit to them every day. In any case, it is we who are the givers in this exchange of information. If, as may be assumed, the Japanese are unable to find out by themselves what code changes the enemy has made during the voyage of submarine I "30", it will be somewhat difficult for them to utilize the material delivered to them up to this date. This will give us an opportunity to obtain valuable evidence as to the actual effectiveness of the Japanese decoding service.

V. The Chief, Naval Staff Quartermaster Division reports that the Fuehrer was satisfied with his explanation of the Navy's position with regard to the explosive cyclonite.

The Deputy Chief, Naval Staff Quartermaster Division discusses the report made by Vice Admiral Krancke to the Chief of Staff, Naval Staff on 13 Aug. about the conference concerning the Westwall-like fortification of the west coast defenses. Fuehrer declared that, due to the strategic situation, German forces cannot operate on more than one front. So far, first the treaty with Russia and then the Westwall enabled us to concentrate our entire strength on one front. The Fuehrer's hope for a quick Russian defeat did not materialize, and no one can tell whether it will this year; in any event, the bulk of our forces will undoubtedly have to remain in the east. For this reason it is necessary to increase the defenses in the west. Only if the coastal defenses are developed into a fortress protecting the west from any attack, can Germany hold the coast safely with comparatively few divisions and defend it effectively against any landing attempts; such attempts might even be entirely discouraged by these measures, and this would be the most desirable effect. The most precious thing of all is a German life. The blood saved by the erection of this fortress is worth the billions to be spent. In the beginning, it will presumably be necessary to use the entire operational reserve in order to annihilate airborne landing troops. Should a landing be made thereafter on the coast after very heavy air attacks, the coast would have to be strong enough to hold out on its own for weeks. This can be done only in well-fortified strongholds like the Westwall fortifications. Field fortifications are by no means adequate. They would not suffice against heavy air raids or tanks. No air forces can be withdrawn from the east, and it must be expected that the enemy will have air superiority in the west. The submarine warfare and the transport of supplies by sea must be maintained. This is a prerequisite to victory! The submarine bases and the most important harbors must be developed into real fortresses. Also those harbors where the enemy might be expected to unload his supplies of heavy armament, as well as those serving as bases for the German naval defense forces, must be developed in the same manner. list submitted by the Naval Staff will serve as a guide. These bases must also be made safe against attacks from the rear. The Fuehrer has in mind a belt of pillboxes round the harbor, with a radius of approximately 10 to 20 km, all covered with a thick layer of concrete and armor. For this purpose the Navy should hand over any unused armor, including the barbettes for the 40 cm. turrets which will never be installed on ships anyway. After the war there will be enough productive capacity available to replace the armor in time. All command posts must likewise be protected. Not the fortification but the soldier must do the fighting. He must therefore be protected against the heaviest type of air attacks, and must also be able to sleep well. For this reason all soldiers must be quartered inside the forts. The batteries must not be destroyed prior to the landing, when they will be needed, and should therefore be so well protected as to make them safe even against the heaviest bombs. So far, this has been done only in isolated cases, and there must be a change. The concrete top must be at least 2 to 3.5 meters thick. In this connection, the Fuehrer pointed to the insufficient concrete covering of the naval installations, whereupon Vice Admiral Krancke pointed out that the Army installations on the coast are not stronger than those of the Navy. Two thirds of the pictures of "foolish" installations shown by General Jacob were photos of Army installations but were presented to the Fuehrer as belonging to the Navy. The case has been clarified.

It will now be necessary to examine our installations from this point of view and, first of all, to improve those still under construction. Mounts for range finders should be placed under armorplated hoods. Embrasures should be very small. All entrances must be well protected. The installations should be made safe against being smoked out, even by means of flame throwers. They should be protected against tanks by anti-tank gun emplacements to which anti-tank troops could be brought up. The medium batteries are to be supplemented by light batteries which can be used as anti-aircraft guns in case of air attacks and as anti-tank guns in case of land attacks (two-way training). The purpose of all these measures is to achieve the highest defensive strength with as little personnel as possible. Light batteries of all calibers should be used to protect the shore against enemy landings in the vicinity of the heavy batteries. Flame throwers used from inside the fort are very effective as a defense against assault detachments.

In all (in France and Holland) 15,000 fortifications are to be built, with each of the 10 most important naval bases to be protected by 400 fortifications. The position of the heavy artillery concentrated near Cape Gris Nez must also be protected by a belt of fortifications. General Jacob is to work out the details in cooperation with the Navy.

The system of pillboxes inside the belt should be as wide as possible. Assault guns and tanks for counterattacks are likewise to be emplaced in concrete pillboxes.

Preparations for the construction of these pillboxes will take some time. In the meantime Speer will push the completion of the submarine pens. Only in Bordeaux will the completion be somewhat delayed (4 weeks); in other places the work will be finished a little earlier.

VII. On orders from the Naval Staff Quartermaster Division, the Naval Shore Command Willi has been renamed Naval Shore Command, Caucasus.

VIII. Report by the Chief, Foreign Affairs Section, Naval Staff Operations Division:

- l. The Germans from Guatemala are not on board the Portuguese steamer which left Baltimore, because there was a traffic delay in Mexico, for which allegedly nobody is to blame, and they were unable to reach the ship in time.
- 2. The Armed Forces High Command has approved the voyage of the motor ship CEPHEE from Dakar to Saigon, as requested by the French. For details concerning precautionary measures see War Diary, Part C, Vol. VIII.

In a Very Restricted Circle:

IX. 1. The Chief, Operations Branch, Naval Staff Operations Division reports on the disposition of submarines in the Mediterranean. The report about the departure of the FURIOUS in easterly direction proves that it is necessary to keep the submarines in

the western Mediterranean. A new order, cancelling the previous authorization by telephone, is therefore issued to the Commander, Submarines, Italy, with copy to the German Naval Command, Italy, directing him to send no more than 2 submarines to the western Mediterranean, after 4 have been sent to the eastern Mediterranean.

The Chief, Naval Staff agrees.

- Our recent submarine losses show an extraordinary increase. 10 boats were lost in July and 7 so far in August. The Naval Staff attributes the loss of 4 of these 17 submarines to air attacks on the Bay of Biscay where enemy planes also badly damaged 2 German and 1 Italian submarines.
- The supply ship UCKERMARK, which departed from La Rochelle on 9 Aug. to supply the auxiliary cruisers and serve as a blockade-runner, also had to interrupt her voyage and re-enter port after having been repeatedly attacked by a British plane between the French coast and 8° W. The extensive blockade-runner schedule starts with 9 ships which are to depart from western France in August and September. In addition, 2 ships have already departed from Japan and are expected to arrive in western France in October.
- c. The British Air Force can harass or even stop completely the blockade-runner service, the importance of which for the German war economy, especially as far as food supplies are concerned, is well known.

The Naval Staff submits these remarks to the Air Force, Operations Staff, along with the figures on submarine losses and damages, as a further argument to support its request for more planes for the Bay of Biscay. (Copies to the Armed Forces High Command Operations Staff and the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters.) At the same time, the Naval Staff requests the Air Force Operations Staff to make known its intentions in this respect.

Recent submarine losses:

June 1942: submarines U "652" and U "568" in the Mediterranean

submarines U "502" and U "751" sunk by planes in the Bay of Biscay; furthermore, U "158", U "157", U "701", U "90", U "136", U "215", U "153", and U "576" July 1942:

submarines U "213" and U "578" sunk by planes in the Bay of Biscay, U "588", U "210" and U "379" lost during the operations against convoys in August 1942: the North Atlantic, and U "166" lost off the

Mississippi estuary

According to a report from the German Naval Command, Italy the new Rommel offensive is scheduled to begin on 28 Aug. The German Naval Command, Italy requests that steps be taken to dispatch in time the 4 requisition detachments as well as the personnel for manning the patrol vessels which will presumably be needed in that area. The Naval Staff Quartermaster Division will take up the matter. The German Naval Command, Italy is being notified accordingly.

- 4. The Naval Liaison Officer to the Army High Command reports on plans for execution of operation "Bluecher II". The operation will presumably be carried out on 15 or 16 Aug., depending on the enemy situation. The crossing is to be arranged primarily as a transport operation. For report and map see 1/Skl 1596/42 Gkdos. Chefs. in File "Bluecher".
- X. In reply to an inquiry by the Chief, Naval Staff, the Chief of Staff, Naval Staff tentatively expresses his opinion about the employment of the naval forces from the Norwegian theater as follows: It is not to be expected that the enemy forces will land in northern Norway during the winter. Consequently, there will be no vital need for keeping the ships in that area. If kept there, their presence will have no other effect than that of a "fleet in being". If this, too, is dispensed with then it will be possible to withdraw the large ships, with the exception of the SCHEER, to Germany. Such action is desirable for its psychological effect on the crews, etc., but especially because it would release the destroyers for operations in the west area. In addition to entering shipyards, the ships could be used for training purposes in the eastern Baltic Sea. The SCHEER might be left in the north area from where she could depart for an operation in the Atlantic whenever necessary.

The Chief, Naval Staff agrees in principle with these conclusions. The Naval Staff is investigating all the aspects of the problem.

Special Items:

I. For the opinion and the directive of the Naval Staff concerning the shipyard period of the SCHEER and the effect on the date of completion of the cruiser EMDEN see 1/Skl I op 20153/42 Gkdos. Copy no. 4 is in War Diary, Part C, Vol. I.

In accordance with this instruction, Group North and the Fleet are directed to prepare in advance the transfer of the SCHEER to Germany for shipyard repairs after she has completed operation "Wunderland". The Naval Staff Quartermaster Division is being notified to this effect.

II. In view of the fact that from now on shipyard workers are to be made available to the Navy, the Commander in Chief, Navy ordered the Naval Construction Division on 14 Aug. to keep him informed about the projects that can be completed by the allocated number of workers. In this connection, the Naval Staff Operations Division calls the attention of the Naval Staff Quartermaster Division to the fact that, aside from the effect of the manpower problem on the execution of the plans, it is also necessary to take into account the curtailment of the Navy's shipyard capacity resulting from the concessions which the Naval Construction Division made to the director of the Chief Committee for Naval Construction and to the Reich Commissioner of Maritime Shipping with megard to the shipyards in the Netherlands and in Nikolayev. For copy of the minutes of the conferences held on 6 and 7 Aug. see 1/Skl 27497/42 geh. in War Diary, Part B, Vol. V.

The Naval Staff Operations Division requests the Naval Staff Quartermaster Division to keep it informed about the matter.

The Naval Staff Operations Division views with considerable concern the fact that the Navy is being restricted more and more in many directions.

III. The Army General Staff has transmitted the report of the Military Attache in Stockholm of 14 Aug. stating Sweden's views about the German operations. For copy see 1/Skl 28146/42 geh. in War Diary, Part B, Vol. V.

Situation 17 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

Radio intelligence reports that on 9 Aug. escort vessels en route with the U.S. convoy AS 6 probably were ordered to proceed to St. Helena Island and to remain there ready to be called out against a raider.

Freetown issued a warning about the presence of a submarine some 680 miles west of the Congo estuary. No German submarine is in that area.

According to a report from Punta Arenas, a loaded U.S. tanker coming from the Pacific entered the Atlantic Ocean. This report is another indication of the evidently increasing use of the Magellan Strait for traffic between Chile and Australia.

2. Own Situation:

As for ship movements in the South Atlantic, the few available course instructions issued by the enemy in August present the same picture as the results of the reconnaissance voyage of ship "23", that is:

- a. In the eastern part of the South Atlantic the ships move at a distance of 600 miles from the African coast.
- b. Ships en route from the Cape to Brazil and the West Indies proceed on courses west and south of the line connecting 33° S, 10° E with 17° 30' S, 22° 30' W.
- c. Ships moving between Montevideo and Freetown pass west of 7° S, 25° W.

The Naval Staff assumes nevertheless that some unescorted ships, as for example, the ARABISTAN; still make reconnaissance runs through the central part of the South Atlantic, while convoys continue to sail on the direct course between Freetown and the Cape. Those warship movements which have so far been discovered were primarily connected with escort operations and reconnaissance along the convoy routes. Lack of information makes an estimate of ship movements between the Cape and La Plata impossible at the present moment.

All vessels in foreign waters were informed about the foregoing opinion as requested by ship "28" via Radiogram 2239.

Further information about the enemy situation was sent out via Radiograms 1817, 1951, 2101, and 2300.

The Naval Attache in Madrid has reported the positions of ships in the blockade area and in the area bounded by 30° N, 30° W. (See Telegram 1830.)

II. Situation West Area

1. Enemy Situation:

Air reconnaissance reports that in the morning 8 patrol vessels and 8 destroyers were in Dover. In the afternoon 3 light cruisers of the C class and 1 destroyer were sighted on a 200 course 60 miles south of the Scilly Islands. Likewise in the afternoon 3 steamers, 1 destroyer, and several patrol vessels were proceeding on zigzag courses 30 miles east of Lizard Head.

Photographic reconnaissance showed 2 destroyers, 2 patrol vessels, 5 passenger ships, 10 steamers, some 200 barges, and 8 large tugs in Southampton. About 70 barges were in Portsmouth at the same time.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

At 0018 the burning enemy ship fired upon by the batteries "Grosser Kurfuerst" and M2 was sunk in quadrant AN 79.

Shortly before completing their mine mission in the Strait of Dover the 10th and 12th Motor Mine Sweeper Flotillas had an engagement with British PT boats, which, however, did not prevent them from carrying out the operation according to plan. Prior to that, the flotillas were under fire from the long-range battery from 2155 to 2210. Numerous hits and blazing fire were observed on an enemy motor gunboat. At 2313 a detonation was heard at the southern end of the recently laid minefield. 3 more detonations were heard later. It may therefore be assumed that an enemy vessel struck a mine. Of our vessels, the motor mine sweeper R "184" is missing. According to radio intelligence, the vessel was sunk and some of the crew were taken prisoner. (See Enemy Situation 16 Aug.) 3 vessels of the 10th and 2 vessels of the 12th Motor Mine Sweeper Flotillas were hit. Casualties are light. For details see Telegrams 1020, 1715, and 2355. Motor mine sweeper R "184" was lost track of mainly because of the failure of the microwave equipment. It is very probable that the enemy has discovered the new minefield.

The 5th PT Boat Flotilla has carried out the mine operation in quadrants BF 2329 and BF 2383 according to plan.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

No noteworthy reports have been received.

Own Situation:

No incidents were reported except for the fact that 2 ground mines were swept off Borkum and Schiermonnikoog.

2. Norway, Arctic Ocean:

Enemy Situation:

Radio intelligence reports that on the afternoon of 16 Aug. I vessel was at sea in the Archangel area and on the afternoon of 17 Aug. 2 British vessels were located in the same area. 4 Russian submarines are assumed to have been operating in the area between Varanger Fjord and Tromsoe.

Air reconnaissance in the Arctic Ocean failed to yield any results of tactical importance.

Own Situation:

Mine-sweeping and convoy operations in the area of the Commanding Admiral, Norway proceeded without incidents.

In the Pechora Bay submarine U "209" sank 2 tugs and 2 lighters, one of them with about 300 soldiers on board.

Operation "Wunderland" is proceeding according to plan. Submarine U "601" is to meet the SCHEER at 78° N,72° E after 0000 on 19 Aug. The submarine is to radio a different rendezvous point if ice conditions make a change necessary.

The Naval Staff hopes that it will not be necessary to send a radio message because it might jeopardize the whole operation. This possible development should have been covered in the original orders.

The BV flying boat towed by submarine U "255" capsized and sank. The crew was rescued.

With regard to the alleged location of convoy PQ 18, the brief report of submarine U "405" states that on 6 Aug. at 0035, 7 to 9 steamers were sighted from a distance of 500 to 600 meters, in quadrant AA 8946 close to the ice boundary. The submarine was forced to submerge because of an approaching escort vessel. Sounds were heard by hydrophone, but after surfacing an hour later she failed to sight anything in the thick fog despite a systematic search. (See Telegram 1840.) Further information is required and will be obtained by Group North.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

On 2 and 5 Aug. air reconnaissance spotted a total of 32 submarines in Kronstadt and Leningrad, as compared with 52 observed on 24 Apr. The 20 missing submarines are either at sea or have been sunk.

2. Own Situation:

In the night of 16 Aug. about 15 enemy vessels were located in the Baltic Sea. It is assumed that mines were dropped in the Baltic Sea entrances, between Sassnitz and Trelleborg, in the area around Ruegen, as well as in the Pommersche Bay and the Gulf of Danzig. Night fighters shot down 2 planes.

At 0646 the steamer WURI of the Oslo-Aalborg convoy carrying about 1,000 men on leave sank within 30 minutes after hitting a mine southeast of Halsbarre. Since the last enemy incursions over this area the route was searched for ground mines 5 times, the last time on 17 Aug. just before the convoy passed through it. The point where the detonation occurred lies 450 meters west of the route. Casualties are apparently light.

On 15 Aug. 3 enemy bombers and 7 fighters attacked a coastal patrol boat in Ust'Luga in the Gulf of Finland.

Unescorted Russian vessels were sighted southeast of Tytersaari. The vessels withdrew when fired on. Mine-sweeping and convoy operations in the area of the Commander, Mine Sweepers, Baltic Sea proceeded according to plan. A Finnish source reports that ll enemy planes were shot down on 16 Aug. In the last 4 days Finnish fighters alone destroyed 25 enemy planes.

On the basis of the Naval Staff's communication about the situation in the Gulf of Finland with regard to air operations (see War Diary 16 Aug.), the Commander in Chief, Air has directed that, beginning 18 Aug., the 1st Air Force, acting in direct accord with Group North, shall employ the 1st Squadron of the 54th Fighter Wing stationed in Finland for the protection of naval operations in the Gulf of Finland. (See Telegram 2300.)

In the night of 14 Aug. an Italian subchaser sank a Russian gunboat in Lake Ladoga north of Morya Bay.

V. Merchant Shipping

The unceasing efforts of the Naval Staff to induce the Swedes to install degaussing gear on the ore steamers sailing to Rotter-dam have so far produced only little or no effect. Only 6 vessels of the Graengesberg Company have been equipped with degaussing gear so far. According to a communication from the Foreign Office, the Swedish Foreign Ministry has now made known that preparations

have been under way for some time for demagnetizing ships. Whether all Swedish ships will be equipped with degaussing gear will depend on the outcome of the negotiations between Swedish experts and Danish and German authorities in Copenhagen.

VI. Submarine Warfare

1. Enemy Situation:

Air reconnaissance was particularly active over the Bay of Biscay. An inbound submarine was reported 195 miles southwest of Brest. A number of submarine sighting reports were intercepted from off the U.S. east coast and in the West Indies area.

2. Own Situation:

For operations of the submarines stationed in Norway see Situation Arctic Ocean.

In the North Atlantic, the Commanding Admiral, Submarines is attempting by means of dummy radio signals from 2 submarines to make the enemy convoy steer a course which would bring it directly within the reach of group "Loss". This attempt presupposes that the enemy makes use of our submarine radio messages in directing his convoys. The results of this experiment remain to be seen. No successes were reported from the North Atlantic or from the area off the American east coast.

In the West Indies, submarine U "658" intercepted a convoy consisting of 15 ships south of Windward Passage and sank 2 steamers of 8,000 and 6,000 GRT in a surface attack. In addition, 1 corvette was probably hit by a torpedo. Submarine U "553" sank 2 steamers and 1 tanker totalling 22,000 GRT from the same convoy. On 15 Aug. submarine U "598" probably sank a tanker of the SAN MELITO class west of Windward Passage. The Commanding Admiral, Submarines estimates her tonnage at 8,000 GRT.

After a prolonged chase submarine U "108" succeeded in sinking the gasoline tanker LOUISIANA (8,587 GRT) in the area north of Cayenne.

The submarines in the South Atlantic also reported a number of successes for today. Submarine U "566" sank the Norwegian steamer TRITON (6,710 GRT) and a 5,000 GRT steamer from a northbound convoy of 14 steamers and 6 destroyers in a daylight attack. The operation against this convoy is being continued.

On 16 and 17 Aug. submarine U "507" operating near the Brazilian coast with the authorization of the Commanding Admiral, Submarines, sank 2 passenger steamers of 6,000 and 5,000 GRT and a 3,500 GRT steamer, as well as 2 steamers of 2,200 and 3,000 GRT, off Bahia and north of there. The submarine had special instructions not to enter territorial waters. Otherwise the sinking of Brazilian merchant vessels is in accord with the prevailing regulations.

There is no doubt that these sinkings which unquestionably affect also Brazilian vessels will lead to a further deterioration in relations between Germany and Brazil.

In the western Mediterranean, submarines U "331" and U "73" are again being sent into action in quadrant CJ 9178 and 9155 respectively. In the eastern Mediterranean, submarine U "83" reported sinking an auxiliary cruiser of about 12,000 GRT from a fleet task force. The submarine requires immediate help since she is unable to submerge.

Together with the above auxiliary cruiser, the total tonnage reported sunk today amounts to 95,997 GRT, without counting the tugs and lighters in the Arctic Ocean. In this connection, it should be mentioned that as it happens the majority of the submarines operating in the Atlantic Ocean did not contribute a single sinking.

For details see supplement to the submarine situation in War Diary, Part B, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

On the night of 16 Aug. our planes attacked localities on the southern coast of England with observed effect. During the day fighter bombers attacked Swanage and Coworack. In the night of 17 Aug. a few of our planes attacked targets in England.

On the same night 100 enemy planes flew over the northwestern part of the Reich but did not concentrate on any specific point. During the afternoon enemy planes were active over western France. Bombs were dropped in the Rouen area.

2. Mediterranean Theater:

The present lack of adequate fighter protection makes it very difficult to fight the enemy air forces and to protect the convoys with the available forces. The Air Commander, Africa carried out reconnaissance and fighter operations, as well as fighter-bomber attacks against concentrations of motor vehicles on the central sector of the front.

3. Eastern Front:

Reconnaissance flights were carried out over the Black Sea. No other reports have been received.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The ARGUS left dock in Gibraltar on 16 Aug. Located in the harbor were 1 vessel of the ILLUSTRIOUS class, the ARGUS, the NELSON, 2 vessels of the FIJI class, one of them in dock, 3 destroyers, 1 auxiliary cruiser, at least 5 submarines, 28 steamers, and 9 tankers.

According to an intelligence report from Spain of 16 Aug., the FURIOUS is said to have taken aboard 35 Hurricanes during the night. It is rumored that the aircraft carrier departed toward the east.

According to a report by a French pilot, I battleship, I aircraft carrier, and 5 to 8 unidentified vessels were proceeding 40 miles north of Algiers at 0900 on 17 Aug. The German Naval Command, Italy reports that it is not yet possible to see how the situation is going to develop. For the time being it is assumed that the carrier is transporting planes to Malta. According to another French report, an escort force of smaller vessels joined the aircraft carrier at the previously mentioned position; in addition to the battleship, 7 destroyers were reported, the entire force heading east.

Photographic reconnaissance carried out over Valletta at noon showed no change in the total of 2 destroyers, 3 submarines, 2 mine sweepers, 3 corvettes, 4 steamers, and 1 large tanker in that harbor. Radio intelligence observed lively submarine and air activity. At noon messages about submarine operations were intercepted from the Malta and Alexandria areas.

Submarine sighting reports were issued off the eastern coast of Sardinia and southwest of Navarino.

The Armistice Commission, France has transmitted a French report about statements by survivors from British ships, according to which their convoy consisted of 12 merchant vessels, including at least 1 tanker. Each vessel was loaded with gasoline, petroleum, edible oil, ammunition, soap, and food. When asked by the German Armistice Commission, France whether the number of steamers in the convoy was not rather 21, the French source repeated that the prisoners spoke of 12 steamers. It remains to be seen how correct this statement is. Further statements assert that there was no American aircraft carrier in the convoy. On the other hand, a U.S. light vessel is said to have participated in the night battle of Kelibia. The British cruiser KENYA also took part in that battle.

2. Own Situation, Mediterranean:

An Italian submarine which has returned to base reports that on the morning of 14 Aug. she fired 5 torpedoes on 2 cruisers 35 miles northeast of Algiers. 2 torpedoes were definitely heard exploding. One of the Italian PT boats which ran aground on the Tunisian coast on 15 Aug. is again afloat and has entered Trapani.

In view of the present enemy situation in the western Mediterranean, our departing submarines have turned back (see Submarine Warfare). In anticipation of further events, a PT boat operation is being prepared for the night of 18 Aug. On 14 Aug. enemy planes attacked Tobruk without causing damage to harbor or naval installations. On the night of 16 Aug. enemy planes again dropped mines in the harbor of Marsa Matruh.

The Italian submarines were recalled from the operations area, evidently even before the enemy reports from the western Mediterranean were made known.

For our submarine success in the eastern Mediterranean see Submarine Warfare.

The Naval Staff has ordered the German Naval Command, Italy to transmit immediately and regularly all incoming information on the courses steered by the last Mediterranean convoy, particularly in the area between Cape Bon and Malta. The Naval Staff is also very anxious to receive promptly all the available prisoner statements, particularly about the aforementioned courses, the names, ports of departure, cargoes and destination of the steamers, any special orders, orders to the escort forces, references to the difficulty of the operation, and the like. Furthermore, it is not clear whether the convoy was escorted by 3 or by 2 battle-ships. The German Naval Command, Italy is requested to transmit its interpretation of photographs to the Naval Staff. (See Telegram 1818.)

It is to be hoped that this information will yield a clear picture of the actual assignment of the convoy.

3. Transport of Supplies to North Africa:

On 16 Aug. an enemy submarine fired on and badly damaged an auxiliary sailing vessel off the eastern coast of Sardinia.

On 17 Aug. enemy torpedo planes set afire the escort vessel PILO 50 miles south of Pantelleria. A destroyer was slightly damaged and suffered considerable casualties.

In the afternoon an enemy submarine torpedoed the motor ship BIXIO 12 miles southwest of Navarino. Attempts are being made to bring her in to Navarino. Other convoys proceeded as scheduled.

17,276 tons were unloaded in Tripoli in July. 17,518 tons, including 7,814 tons of German cargo, were loaded on coastal vessels in that harbor. This shows that all the incoming supplies were sent on to the front.

In Tobruk 530 tons were unloaded on 15 Aug. and 680 tons on 16 Aug. 517 tons were unloaded in Marsa Matruh on 16 Aug.

4. Area Naval Group South:

Aegean Sea:

No incidents were reported.

Black Sea:

Enemy Situation:

In the area between Sochi, Sukhum, and Poti air reconnaissance sighted 2 tankers under escort on a southeasterly course and the cruiser KOMINTERN heading for Poti. Some 50 patrol vessels were located in the canal north of Temryuk. Lively ship

traffic was observed between Tuapse and Sukhum. 7 steamers, 4 patrol vessels, 1 PT boat, and 2 destroyers were en route to the southeast, while 1 steamer and 1 tug were proceeding northward. According to photographic reconnaissance, 1 tanker, 6 steamers, and several small vessels were in Sukhum.

The Communications Intelligence Officer, Black Sea at Group South has compiled a supplementary list of war and merchant ships in the Caspian Sea on the basis of prisoner statements. For copy see 1/Skl 28058 geh. in War Diary, Part C, Vol. XlVa.

Own Situation:

According to a communication from the German Embassy in Ankara of 15 Aug., the report that 15 Russian vessels have entered a Turkish port has not been confirmed.

Enemy submarines unsuccessfully attacked the tug FORSCH south of Tuzla on 16 Aug. and the ROMULUS south of Odessa on 17 Aug. PT boats remained inactive because of bad weather.

On 16 Aug. an Air Force Siebel ferry struck a mine off Mariupol. The ferry has a leak aft. For the time being, no iron ore transports are allowed to enter or leave Mariupol. Convoy operations proceeded as planned.

5. Special Items:

(1) After an investigation, Group South reports that the Army's accusations concerning transport operations in the Sea of Azov are incorrect, since there are no Army ferries at all in the Taganrog area; Army Group A has tied up all such vessels for operation "Bluecher".

The Group reports further that on 1 Aug. the route to Taganrog was searched for mines on the same day that the first sea transport got under way. Due to the enemy situation, the route from Taganrog to Azov could not be swept before 4 Aug. together with the first transport on this route. (See Telegram 2015.)

This shows that the rumors derogatory to the Navy are completely without foundation. The Naval Liaison Officer to the Army High Command has been informed to this effect.

(2) Via Telegram 1951 the Naval Staff Quartermaster Division sends Group South the requested information on the suitability of the small coastal mine-laying craft for the assignments in question (see War Diary 31 Jul.).

IX. Situation East Asia

No reports of interest have been received.

X. Army Situation

1. Russian Front:

Army Group A:

The Rumanian III Army Corps is engaged in a fight with strong Russian rear guards north of the Kuban River southwest of Slavyansk. Krimskaya and Abenskaya were captured. South of Krasnodar the enemy continues to offer stiff resistance. Our advance detachments are engaged in bitter fighting north of the Klukhor Pass. The outflanking maneuver aimed at opening the pass is in progress. The forces advancing on the Elbrus Mountain are now south of the mountain at the Bashi Pass. Advance units of the III Army Corps are south of Elista.

Army Group B:

The right wing of the 4th Panzer Army has pushed west-ward and has encircled enemy forces at the Abganerovo railroad station. Our forces succeeded in widening the bridgehead on the Don River northwest of Stalingrad and in holding it against enemy attacks. The enemy brought up new forces south of Krimskaya. Near Serafimovich, the enemy continues his attempts to reach the southern bank of the Don River. Enemy attacks near the mouth of the Khoper River and west of Svoboda were repulsed. Fighting in the Voronezh area continues. Southeast of Yelets the enemy is trying to widen his penetration in westerly direction.

Central Army Group:

The operation in the Sukhinichi area is making slow progress due to stubborn enemy resistance and difficult terrain. Weather conditions do not permit our air support to be fully effective. Some of the enemy forces have launched a counteroffensive.

All enemy attacks east of Vyazma were repulsed. Enemy attacks in the breach near Rzhev continue. Losses are running high on both sides.

Northern Army Group:

Fighting is going on north of Demyansk and north and south of the land bridge leading to the II Army Corps, as well as near Soltsy. Enemy troops succeeded in penetrating the lines of the SS Police Division southeast of Leningrad.

2. Finnish Front:

The enemy continues to dig in in front of the 20th Army. An increased number of supply transports were observed arriving at the Rybachi Peninsula.

3. North Africa:

· No incidents were reported.

Items of Political Importance

In connection with the <u>Moscow conferences</u> it should be mentioned that, according to a statement by Harriman, President Roosevelt will endorse any decision made by Churchill in Moscow.

U.S.S.R.:

The Tass Agency brings an interesting official communique according to which Molotov has been appointed the first of the 12 deputy chairmen of the Council of the People's Commissars, with the purpose of easing the burden on Stalin.

It remains to be seen whether this is purely an organizational formality or not.

U.S.A.:

Secretary of State Hull told the French Ambassador that the U.S.A. cannot maintain friendly relations with the Laval government because Laval has publicly declared that he favors a German victory.

The proposed law requiring war service in industry, designed to solve the labor problem, is another indication that the democratic U.S. is resorting to totalitarian methods.

Brazil:

An official report from Rio de Janeiro states that Axis submarines sank 3 Brazilian ships within the last three days. The steamers in question are the BAYPANDI, the ARARAQUARA, and the ANIBAL BENEVOLO. The BAYPANDI is said to have been en route to northern Brazil with 800 soldiers on board. The Ministry of the Navy has decided to employ all Brazilian warships for the protection of coastal shipping.

Conference on the Situation with the Chief, Naval Staff

I. Report by the Chief, Naval Staff Communications Division:

It is not assumed that the loss of motor mine sweeper R "184" will result in a disclosure of our codes because, as reported by radio intelligence, nobody was able to board the burning vessel.

A further report deals with plans to install additional radar sets in the area between Pantelleria and Sicily and, if necessary, on the coast of French Africa.

II. Report by the Chief, Naval Ordnance Division:

- l. It is proposed to investigate whether the 28 cm. turrets of the GNEISENAU should not be installed in the west area rather than in Norway. The preparations made in Norway are such that they could be utilized for other turrets just as well.
- 2. Since it has definitely been decided to convert the SEYDLITZ, it is necessary to investigate whether and how the 4 turrets of this ship should be distributed.

3. The Fuehrer's order to hand over for use in western fortifications all armor plating and barbettes not immediately needed by the Navy, thus abandoning the battleship model 41, will make the advance work done by Krupp on the gun turrets and barrels completely useless, although this work would otherwise have permitted completion of 4 instead of 2 such ships 5 years after the keels were laid. It must be kept in mind that the planned large expansion of the Krupp Company, necessary for the development of our fleet, cannot be started before the end of the war. However, on the capacity of Krupp depends how much armament can be produced in the 60 months needed to build each ship. Consequently, every month which was utilized for producing the necessary armament represented a gain with regard to the number of ships constructed simultaneously. The Chief, Naval Ordnance Division suggests that these conclusions be presented to the Fuehrer.

III. The Deputy Chief, Naval Staff Quartermaster Division submits the following schedule for ships entering shipyard:

TIRPITZ: From end of October till January.

LUETZOW: Till second half of October in Kiel. (Only structural repairs will be made, since no preparations have been made for engine repairs, and the necessary Diesel electric units are not available in any case.)

SCHEER: 6 weeks in Wilhelmshaven, starting immediately on arrival.

KOELN: No shipyard capacity is available for the necessary replacement of cables.

LEIPZIG: Mid-October to December. This will include installation of degaussing equipment which cannot be installed on the EMDEN because the capacity of the Wilhelmshaven shipyard originally set aside for this purpose will be used up by the SCHEER.

NUERNBERG: Has just left the shipyard. Is assigned to training duty until the end of October.

EMDEN: To leave the shippard by 1 Oct. Thereupon training assignment.

In a Very Restricted Circle:

IV. Report by the Chief, Operations Branch, Naval Staff Operations Division:

- 1. Report on American press and radio accounts about the search for the German raider in the South Atlantic and on measures taken by our ships "23" and "28".
- 2. The Air Force Operations Staff has transmitted the following answer to the Naval Staff's request for allocation of planes to the Air Commander, Atlantic Coast for operations against enemy planes in the Bay of Biscay:

"In view of the present air situation in the Bay of Biscay, which is known to be critical and which exposes our submarines and

blockade-runners to grave danger, the Commander in Chief, Air Force has reinforced a unit stationed on the Bay of Biscay coast with suitable planes. In addition, a long-range fighter group is being organized for the sole purpose of protecting our vessels in the Bay of Biscay.

"The Naval Staff is requested to ask Group West to operate in direct cooperation with the 3rd Air Force Command as regards convoy protection in the Bay of Biscay."

Group "est and the Commanding Admiral, Submarines have been notified accordingly.

3. Report on the weather observation operation "Holzauge" as recorded in War Diary of 3 Aug.

Weather expedition "Knospe" is to be picked up sometime after 20 Aug. The Commander in Chief, Air Force is unable to keep his promise to send a plane for this purpose; Group North plans to use a submarine instead.

4. On 16 Aug. the German General at the Italian Armed Forces Headquarters transmitted to the Armed Forces High Command and the Army High Command a report giving the following estimate of the situation and of the condition of the African Panzer Army as of 15 Aug.:

Our situation, which continued critical until the early days of August, has eased. As far as personnel and materiel are concerned, the condition of the African Panzer Army has considerably improved, and its morale is high.

The enemy must be expected to bring up substantial reinforcements to the front toward the end of August. In addition, another large contingent of reinforcements, for which the enemy will undoubtedly wait before launching his offensive, must be expected to arrive toward the middle of September. Until the end of August the Germans and Italians will have a certain superiority in tanks, as well as in heavy artillery. Up to that time, we will still have a fair chance of breaking through on the southern wing of the front. For this reason, Rommel and the Commanding General, Armed Forces, South consider the time around 26 Aug., when the phase of the moon offers the best chances, as most propitious for an attack. A postponement would greatly reduce our chances (on account of the enemy's superiority in the air) and the Axis forces would have to wait another 4 weeks for a full moon.

Situation 18 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

According to an intelligence report, American troop

transports are being shipped to Africa via Charleston and New Orleans along the coast of Central and South America to Natal and from there to Gabon. A convoy of 5 to 6 transports is reported to leave every week.

The Naval Attache in Buenos Aires reports that on 10 Aug. the QUEEN ELIZABETH departed from Rio de Janeiro in northerly direction.

In spite of or as a result of the continuing lively discussion in the press about the chase after the German raider in the South Atlantic, official circles in Rio de Janeiro doubt that such a raid exists and consider the story a fabrication of Axis propaganda.

The submarine warning issued on 17 Aug. for the area west of the Congo estuary was cancelled.

According to a message from Simonstown, on 16 Aug. an unidentified steamer reported a mine in the 100-fathom zone in a swept channel, presumably off Cape Town.

Indian Ocean:

Japanese planes again attacked 2 British steamers in the Bay of Bengal.

2. Own Situation:

Via Radiogram 2130 ship "10" is being informed that the TANNENFELS will arrive at point "Kupfer-B" around 28 Aug. and that she will be able to take aboard the prisoners from ship "10". After taking over the supplies, ship "10" is directed to release the TANNENFELS for her voyage home.

Via Radiogram 1536 all vessels in foreign waters are being informed of the operations against the enemy convoy in the western Mediter-ranean.

II. Situation West Area

1. Enemy Situation:

No noteworthy reports have been received.

2. Own Situation:

Atlantic Coast:

On 17 Aug. the blockade-runner WESERLAND departed as planned. Group West is in command. The fair weather with good visibility is unfavorable for a successful departure. At 1230 an enemy plane circled over the WESERLAND in quadrant BF 8684 causing her to steer back toward the east along the Spanish coast. Group West has ordered the ship to turn back again, if the enemy no longer maintains contact, and to try to break through once more within or along the borders of the Spanish territorial waters. In any event, forces of the Commanding Admiral, Defenses, West are posted in the St. Jean-de-Luz area, ready to bring her in, and the Air Commander,

Atlantic Coast has been asked to make an inspection flight over the Spanish territorial waters, if possible, and to report position and course of the ship upon landing. Group West ordered the UCKERMARK to depart for the second time on 18 Aug.

Channel Coast:

From 0048 to 0158 the British battery at St. Margaret at Cliff fired 26 rounds at our coast without scoring a hit. The 4th PT Boat Flotilla gave up its mine operation in the night of 17 Aug. because of fog. For brief report see Telegram 0815.

At 0230 the 18th Patrol Vessel Flotilla had an engagement with enemy motor gun boats. I enemy vessel was definitely sunk and one was probably sunk, while several others were set on fire. For brief report see Telegram 1300.

Patrol vessel "406" sank in quadrant BF 9349 as a result of a mine hit.

III. North Sea. Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Lively reconnaissance activity was reported over the entire North Sea area.

Own Situation:

During the day enemy planes made isolated reconnaissance flights over the northwestern coast of Germany. Our fighters failed to make contact with the enemy. Convoy and patrol operations in the area of the Commanding Admiral, Defenses, North proceeded according to plan without incidents.

The Commanding Admiral, Defenses, North and the XII Air Corps have agreed upon the organization of night-fighter action against mine-laying enemy planes in the North Sea area. A similar arrangement exists in the area of the Commanding Admiral, Defenses, Baltic Sea. For details see Telegram 1135.

The Naval Staff has no objections.

2. Norway, Arctic Ocean:

Enemy Situation:

Air reconnaissance reported 1 battleship of the KING GEORGE V class, 2 heavy cruisers, 1 light U.S. cruiser, 2 destroyers, 4 tankers, and 8 steamers in the Hval Fjord. 2 large passenger ships, 1 tanker, 13 steamers, 1 U.S. destroyer, and other vessels were observed in the roadstead of Reykjavik.

Own Situation:

Mine-sweeping and convoy operations in the area of the Commanding Admiral, Norway proceeded according to plan without incident. On 17 Aug. an enemy submarine which had been sighted in quadrant AC 8425 was chased without success. A German convoy anchored temporarily in the Bas Fjord because of the submarine menace. Destroyer Z "23" departed from Trondheim in northerly direction.

Operation "Wunderland":

3 destroyers of the 5th Destroyer Flotilla entered Tromsoe where they remain ready to be sent into action on 3 hours notice.

The Admiral, Arctic Ocean ordered submarine U "456" to deliver ammunition to submarine U "209" in quadrant AT 7125 on 19 Aug. at 1200. Prior to that, submarine U "456" is to reconnoiter the coasts north of 710 40' N, while submarine U "209" will do so south of that latitude. Submarine U "456" has been ordered to report completion of the assignment by short signal, whereupon the 2 submarines will return to their previous areas of operations.

The Naval Staff would have preferred complete radio silence.

Otherwise there was nothing to report.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

No incidents were reported.

2. Own Situation:

Final losses from the steamer WURI have not yet been determined.

Weather conditions hampered mine-sweeping operations in the area of the Commander, Mine Sweepers, Baltic Sea. Convoy operations proceeded as scheduled.

2 of our mine sweepers drove an enemy submarine which had been spotted by a reconnaissance plane into the minefield "Seeigel 19". An explosion was observed 3 miles northwest of Tytersaari.

In order to speed up preparations for the 6th PT Boat Flotilla operations in the Baltic Sea, the Naval Staff has ordered the Commander, PT Boats to dispatch an officer suited for this task to Group North. Basically the Naval Staff upholds its intention to employ the 6th PT Boat Flotilla in the west area. Its temporary assignment to the Commander, Mine Sweepers, Baltic Sea for use in the Gulf of Finland will only be ordered if the situation does not permit any other course. A directive is therefore issued to Group North, the Fleet, and the Commander, PT Boats, with copies to

Group West and to the Commander, Mine Sweepers, Baltic Sea, requesting that the preparations for operations of the 6th PT Boat Flotilla in the west area receive priority, while the Baltic Sea assignment of the flotilla is to be prepared only as far as it does not interfere with the preparations in the west area. (See Telegram 1717.)

The Chief of the Naval Liaison Staff, Finland reports that at his request the Finnish Commander in Chief, Navy promised to take appropriate steps for obtaining from Marshal Mannerheim the release of the small coastal mine-laying craft and Italian subchasers from Lake Ladoga.

V. Submarine Warfare

1. Enemy Situation:

Reconnaissance activity in the Bay of Biscay was very lively. One plane reported that it attacked and allegedly badly damaged a submerging submarine 250 miles southwest of Vigo.

Reports of submarine attacks were intercepted from southwest of Santiago, southwest of the Mississippi estuary, off Curacao, and southeast of Bahia. An unknown steamer, the WEST FELMAR, was torpedoed west of Trinidad.

2. Own Situation:

No reports of importance were received from the North Atlantic. Submarine U "553" re-established contact with the convoy west of Windward Passage. The convoy was reported to consist of 20 steamers, with 2 destroyers preceding and 2 corvettes following. The submarine sank 2 steamers from this convoy, totalling 11,000 GRT, and torpedoed another steamer of 5,000 GRT. The operation is being continued.

Submarine U "508" located a westbound convoy consisting of 20 vessels in the western entrance to the Florida Strait. During the attack the submarine heard 2 hits.

Contact with the convoy west of the Azores was maintained until midnight. In the attack made during the day, submarine U "214" sank 4 steamers totalling 20,000 GRT from this convoy. A freight-carrying sailing vessel was sunk in the Mediterranean. In addition to 2 submarines and planes, destroyer ZG "3" was also sent to escort submarine U "83" which is unable to submerge. For details see Supplement to the Submarine Situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Reconnaissance flights were carried out over the area off the British Isles during the day. At night small numbers of our planes attacked Norwich. On the night of 18 Aug. some 100 enemy planes penetrated into the eastern part of the Reich territory. Bombs were dropped on Danzig. It is to be assumed that mines were dropped in the Baltic Sea entrances, the Kiel Bay, and in the German Bight.

2. Mediterranean Theater:

Radio intelligence reports that the transport of fighter planes to Malta has been completed. Reconnaissance operations against the enemy forces, reported on 17 Aug., failed to yield any results. Otherwise there is nothing to report.

3. <u>Eastern Front</u>:

Reconnaissance flights were made over the Black Sea, the Caspian Sea, and the Arctic Ocean. 71 enemy planes were reported shot down on the eastern front of the Army.

4. Special Items:

a. For information about mine-sweeping plane production and the planned distribution of the new planes see 1/Skl I op 20321/42 Gkdos. in War Diary, Part C, Vol. V.

b. Mine-sweeping planes under the operational command of Group North have been assigned as follows: 3 to the Commanding Admiral, Defenses, North; 3 to the Commanding Admiral, Defenses, Baltic Sea; 3 to the Naval Station, Baltic; 1 (later 3) to the Commanding Admiral, Norway.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

Upon completion of the transport of planes to Malta the aircraft carrier FURIOUS, 1 cruiser of the DIDO class, 10 destroyers, and 2 corvettes re-entered Gibraltar from the east in the morning. The ILLUSTRIOUS entered dock on 18 Aug. The RODNEY and another aircraft carrier of the ILLUSTRIOUS class have not been observed in Gibraltar since 16 Aug. They are presumed to have departed in westerly direction.

In the eastern Mediterranean, Italian air reconnaissance reported in the morning that a cruiser and a destroyer were proceeding on a southerly course 75 miles west of Haifa.

2. Own Situation, Mediterranean:

In the night of 17 Aug. enemy planes made major attacks on Tobruk and Marsa Matruh. No damage was reported. Otherwise there was nothing to report.

3. Transport of Supplies to North Africa:

The motor ship BIXIO has been brought into Navarino. She has 3,200 war prisoners on board.

In the night of 17 Aug. enemy planes sank the motor ship PILO (6,836 GRT) en route to Tripoli 45 miles south of Pantelleria.

Enemy reconnaissance planes located and repeatedly attacked the convoy of the CITTA DI ALESSANDRIA en route from Suda to Tobruk.

In view of the heavy steamer losses sustained during the last few days, the scarce Italian naval and air escort forces available are at present being used for one convoy at a time. This will inevitably lead to a serious delay in the transport of supplies.

4. Area Naval Group South:

Aegean Sea:

Destroyer ZG "3" was sent to render aid to submarine U "83". Convoy operations in the Aegean Sea proceeded according to plan without incident.

Black Sea:

Enemy Situation:

Air reconnaissance reported 1 battleship, 2 heavy cruisers (1 damaged), 5 destroyers (2 in dock), 11 steamers, 2 tankers, and 25 small vessels in Poti. 1 heavy cruiser under cover, 1 destroyer, 2 tankers, and 4 steamers were spotted in Batum. Observation was incomplete. No warships were sighted in the Caspian Sea harbors or on the Volga River. The 4th Air Force assumes that the enemy troops are embarking in Tuapse at night.

Own Situation:

Bad weather during the night of 16 Aug. dispersed the landing craft group proceeding from Constanta to the Crimea. I barge returned to the port of departure; 3 barges entered Crimean ports. No report has as yet been received about the remaining 2 vessels.

The Italian submarines CB "2" and CB "6", which left Constanta on 17 Aug., were likewise forced to return because of bad weather.

The prevailing weather conditions prevented the feint landing on the southern coast of the Taman Peninsula scheduled to take place on the night of 17 Aug. as part of operation "Bluecher II".

Convoy operations proceeded as planned.

5. Special Items:

a. The Army Quartermaster General reported to the Fuehrer on the question of employing steamers for the transport of supplies in the eastern part of the Black Sea. The Fuehrer agrees with the position of Group South that the steamers should not proceed beyond Feodosiya for the time being since, in his opinion, steamer losses in the Black Sea must be avoided.

The Naval Staff informed Group South, the Naval Liaison Officer to the Army High Command, and the Naval Liaison Officer to the Air Force Operations Staff to this effect via Telegram 1717.

b. For suggestions made by Group South with reference to the installation of a new weather station in the Caspian Sea and a radio mast in Sevastopol see Telegrams 1730 and 1955.

The Naval Staff Quartermaster Division will take care of the matter.

VIII. Situation East Asia

No noteworthy reports have been received.

IX. Army Situation

1. Russian Front:

Army Group A:

The V and XLIV Army Corps of the Ruoff Army Group are engaged in heavy fighting on the northern slopes of the Caucasus Mountains. The Rumanian 3rd Army succeeded in extending its advance bridgeheads north of the Kuban River in westerly direction. Numerous enemy forces are still holding their positions in the industrial district of Maikop. Detachments of the XLIX Mountain Corps have reached the high-mountain ridge. The Klukhor Pass has been taken.

The enemy is covering the retreat of his major forces toward the east and southeast in front of the 1st Panzer Army with strong rear guards and superior air power. The 23rd Panzer Division started the bridge construction west of Maisky and is again under heavy attack by enemy planes. The remaining forces of Army Group A are advancing as planned in southeasterly direction, encountering only slight enemy resistance in some places.

Army Group B:

The 24th Panzer Division took over the protection of the 4th Panzer Army flank west of the chain of lakes stretching south of Tsatsar. Enemy tank attacks against the Don bridgehead north-west of Stalingrad were unsuccessful. Southeast of Kremenskaya, enemy troops crossed the Don River and broke through our weak defenses. The 22nd Panzer Division is being sent into action. Enemy attempts to cross the river in the area of the 8th Italian Army were prevented. This was the first day in a long time that everything was quiet in the Voronezh area and south of Yelets.

Central Army Group:

The operation in the Sukhinichi area came virtually to a standstill before the strongly fortified enemy position near Zhizdra. Enemy attacks east of Vyazma, south of the Vyazma-Moscow

highway, east of Gzhatsk, and in the area east of Sychevka were repulsed. Heavy enemy attacks carried out with tank support north of Rzhev also failed. The enemy suffered considerable losses.

Northern Army Group:

Enemy attacks on the Demyansk front, southeast of Staraya Russa, south of the land bridge leading to the II Army Corps, and near Soltsy were repulsed. Our thrust southeast of Leningrad was stalled by artillery fire.

2. Finnish Front:

No incidents were reported.

3. North Africa:

No noteworthy reports have been received.

Items of Political Importance

The conferences between Churchill and Stalin in Moscow are being followed closely in Great Britain and the neutral countries. Lacking any detailed information about the decisions made during these conferences, the newspapers are indulging in lively speculation, particularly on the subject of the second front, in view of the presence in Moscow of military advisers.

It is obvious that the Chungking Government was not represented at the Moscow conference, since care was taken to eliminate any discussion of Japan.

Changes in command were made in North Africa immediately following Churchill's stay at Cairo. Auchinleck was replaced by General Alexander as Commander in Chief in the Middle East. General Montgomery succeeded General Ritchie as Commanding General of the 8th Army. It remains to be seen what task will be assigned to Auchinleck. He may have been released for some special task in connection with the Moscow decisions. (Caucasus Army? 1)

Great Britain:

Axis propaganda presents the landing of British and Canadian troops at Dieppe, which was carried out this morning, as an act of desperation prompted by the Moscow decisions, or rather by Stalin's demand. A British broadcast called on the French people to abstain from any action that might jeopardize their safety. The day on which the French people will be asked to take action has not yet arrived.

Discussions of the Anglo-American air offensive against Germany in the Sunday Times and the New York Times indicate that, in the opinion of the British, American bombers and their crews have so far failed to live up to the high hopes placed in them. For details see Political Review No. 193, Paragraph 2.

India:

Neutral as well as American press reports reveal that the Allies are continuing their efforts to bring about a compromise agreement between Great Britain and the Congress Party, "in order to ensure India's full cooperation for the Allied cause". For details see Political Review No. 193, Paragraph 3.

U.S.S.R.:

A Polish diplomat in Moscow asserted that a separate peace between Germany and Russia is out of the question. The Moscow conference merely served the purpose of establishing whether Russia can hold out until winter. The Russians did not present an ultimatum to Britain. Although the Russian people feel disappointed by the British, there is no deep resentment. Otherwise, however, the Russians continue to be as reticent as usual and do not allow anybody insight into their real situation. Their main line of defense has been shifted to the Caucasus, but they are firmly determined to hold Stalingrad at all cost.

Chile:

The visit of President Rios to the U.S.A. on Roosevelt's invitation

has been set for the autumn, chiefly in order to gain time in case the situation develops in favor of the Axis.

Brazil:

According to an official report, Axis submarines sank 5 Brazilian vessels plying between Brazilian harbors on 16 and 17 Aug. President Vargas denounced these sinkings as piracy and announced that Axis ships and the property of Axis citizens will be confiscated in

Japan:

retaliation.

in the conquered territories.

The Cabinet decision adopting a 30% cut in government personnel amounts to a reduction in force of some 125,000 employees, 20,000 of whom will be incorporated in the military administration

Sweden:

On 18 Aug. a Russian submarine sank the steamer LILJEVALCH (8,770 GRT) in the Swedish territorial waters off Vaestervik. The ship was proceeding in an escorted convoy.

Spain:

According to a Vichy Telegraphic Service (Ofi) report, an attempt was made on the life of War Minister Varela, allegedly killing 200 persons. The Minister is unhurt.

This incident throws a revealing light on the domestic situation in Spain!

Conference on the Situation with the Chief, Naval Staff

- I. The Chief, Naval Staff Communications Division reports that our radio intelligence service has intercepted U.S. radio call names, possibly of submarines, in the Mediterranean.
- II. The Deputy Chief, Naval Staff Quartermaster Division discusses the demands for the defense of the west area against enemy landings, raised as a result of the inspection tour of the Commander in Chief, Navy in France (see War Diary 8 Aug.). The Naval Staff Quartermaster Division has examined all the issues pertaining to its authority, and has clarified the situation to such an extent that the matter can be considered settled. A few unsettled questions (such as alleged lack of personnel for the 4th gun of the Briere battery and alleged shortage of ammunition at the Mirus battery are still under investigation.
- III. On the basis of a report by the Chief of Staff, Naval Staff, the Commander in Chief, Navy has ordered that the special command unit of the staff of the Commanding Admiral, Group South be dissolved, since conditions which existed when it was established no longer prevail and the present stricter regulations do not permit leaving it with the Group.

- IV. The Chief of Staff, Naval Staff reports on the German Admiral, Tokyo. It is self-evident that the posts of the German Admiral and that of the Naval Attache, Tokyo must be occupied by two different persons if the emancipation from the communication channels of the Foreign Office, which the Navy intends to achieve by the creation of this new office and which the Armed Forces High Command also desires for the Armed Forces as a whole, is to become a fact. Such independence from the Foreign Office communication channels has become absolutely necessary in the interest of a real cooperation between the German and the Japanese Armed Forces representatives. The appointment of a Naval Attache presents great difficulties, especially since the Admiral, Tokyo is asking for a special staff officer. Despite certain objections, a temporary solution is contemplated whereby the Assistant to the Attache, Lt. Commander Trendtel, would be assigned to the post of Attache.
- V. The Chief, Foreign Affairs Section, Naval Staff Operations
 Division gives a survey of the current negotiations of the German
 Armistice Commission, France about powder and ammunition agreements, problems of ship tonnage, and reinforcement of the West
 African defenses. For details see War Diary, Part C, Vol. VIII.
- VI. The Japanese Naval Attache has asked the German Naval Attache Section by telephone to furnish approximately 6,000 construction drawings for motor mine sweepers, to be taken along by submarine I "30". The Naval Attache Section has been directed to answer the Japanese Naval Attache that the Navy High Command agrees that the drawings be handed over and that the Japanese copy the motor mine sweepers; in both these questions, however, they must approach the shipbuilding firm (Luehrssen) directly. Furthermore, there is not sufficient time for delivering the drawings to submarine I "30".

In a Very Restricted Circle:

VII. a. The Chief, Operations Branch, Naval Staff Operations Division discusses the reports of the Naval Liaison Officer to the Commander in Chief, Air Force of 15 and 18 Aug. The Commander in Chief, Air Force has issued orders to make every effort to shoot down any planes flying the route between England and Sweden. The situation at Rzhev has necessitated the transfer of 2 bomber groups from the west and 1 fighter group from the 1st Air Force to the Air Force Command, East. It is of particular importance that Rzhev remain in our hands because all the winter supplies of the 9th Army are stored there. It has been reported to the Fuehrer that our air raids on England can no longer be expected to have any serious effect.

According to a report of the 3rd Air Force, forces of the Air Command, Atlantic Coast shot down 5 Whitleys, 2 Wellingtons (1 not definitely established), and 1 Catalina over the Bay of Biscay between 1 Jul. and 13 Aug.)

- Only 5 British aerial mines were swept by minesweeping planes off Lorient during the last 4 weeks.
- b. For a further report on the situation in connection with operation "Wunderland" see War Diary, 17 and 18 Aug.
- c. Group North has submitted a report from submarine U "405" in reply to the Group's inquiry concerning the message about

sighting convoy PQ 18. The submarine report reads as follows:

"The officer of the watch on U "405" sighted 2 shadows at a fine angle on the bow and an escorting vessel at an angle of 0° to 10° at 290° on the direction indicator. The watch on the bridge, who is considered particularly reliable, reported 7 to 9 small and large steamers at 0° on the direction indicator. The ships were proceeding approximately on a 30° course. Speed was not established."

Remark by Group North: With the visibility not exceeding 600 meters, the information is so vague that their correctness is to be doubted. It is concluded therefore that convoy PQ 18 was not intercepted.

The Naval Staff will come back to the matter.

VIII. The Deputy Chief, Naval Staff Quartermaster Division requests permission to issue orders to Admiral Marschall to prepare for combining the commands of Group West and the Commanding Admiral, France.

The Commander in Chief, Navy wishes the orders to be postponed until Admiral Saalwaechter has gone on leave.

Situation 19 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

No reports have been received.

2. Own Situation:

Via Radiogram 0941 the TANNENFELS was directed to proceed to her rendezvous with ship "10" on 28 Aug. and to continue her voyage after supplying the ship.

The Naval Staff sent to the Naval Attache, Tokyo congratulations for the DOGGERBANK on the occasion of the completion of her long and successful war mission. (See Telegram 1950.)

Information on the enemy situation was sent out via Radiogram 2147.

Group West and the Naval Office Boulogne received sailing orders 1/Skl I k 1620/42 Gkdos. Chefs. for the blockade-runner KARIN. The mission of the vessel is to take cargo to Japan. The date of departure will be set by Group West. The Naval Staff will take over the command at 30° W. For copy no. 4 of the sailing orders see War Diary, Part C, Vol. I.

II. Situation West Area

1. Enemy Situation:

For the probable location of British naval forces according to radio decoding and intercept see 1/Skl 28595/42 geh. in War Diary, Part C, Vol. 11 b.

According to statements by French fishermen, British planes and a number of British submarines were sighted in the area between 45° 30' N, 47° N, 6.° 30' W, and 9° 30' W daily in July. Tuna fishermen, who returned from their fishing expedition on 11 and 12 Aug. ahead of schedule, sighted many mines adrift at 46° to 47° N, 6° 10' W. In many instances the British planes strafed the French fishermen.

During the day air reconnaissance observed lively ship traffic in the area between the Isle of Wight and Dungeness, and between Dieppe and Fecamp. In the morning a convoy consisting of 4 steamers, 2 destroyers, and 1 patrol vessel was proceeding on a westerly course south of Start Point, while 9 steamers, 4 destroyers, and 2 patrol vessels were en route on a 1300 course south of Land's End.

For radio intelligence data in connection with the landing operation at Dieppe see File "Enemy Landing Operation at Dieppe on 19 Aug. 1942".

2. Own Situation:

Atlantic Coast:

The Naval Special Service Department, Bordeaux has submitted the new schedule for completion of shipyard work on the blockaderunners which are to depart in September. The resulting changes in the previous departure plans are being communicated to Group West. Whether all 8 ships will be able to depart in September will depend on the weather and on the enemy situation. All of them do not necessarily have to leave. An attempt should be made to bring out the PASSAT, the PIETRO ORSEOLO, the SPICHERN, and the BURGENLAND. For copy of the corresponding directive to Group West see 1/Skl I k 1617/42 Gklos. Chefs. in War Diary, Part C, Vol. I. Weather conditions appear rather unfavorable for bringing out the WESERLAND and the UCKERMARK. Good visibility was predicted for the area west and north of Cape Ortegal in the afternoon. Group West transmitted the forecast to the WESERIAND via Radiogram 1337. As directed, the blockade-runner made another attempt to break out in the evening of 18 Aug., but at 1717 she reported that she was attacked by enemy planes at 44° 18' N, 8° 14' W and shot down 1 Liberator, and that she headed for Ferrol after 1640. Thereupon Group West directed the ship via Radiogram 1939 not to enter Ferrol but to make another breakthrough attempt at nightfall. Shortly thereafter, at 1901, the UCKERMARK likewise reported an enemy attack by wheeled planes and the presence of shadowers beginning 1600 while she was proceeding on a southerly course in quadrant BF 76. Group West directed the ship to attempt another breakthrough at 21 knots in westerly direction, starting out from the northeastern coast of Spain at 43° 30' N at nightfall. At 1910 the WESERLAND reported from 43° 43' N, 8° 13' W that she had warded off another Liberator attack and that the weather was clear and visibility good. On the basis of the weather forecast for 20 Aug., Group West expects reduced and changing visibility in the area

through which the WESERLAND is to pass. Group West notified both blockade-runners about the weather forecast and about the position of the northbound enemy convoy which was located at 42° 40' N, 17° 30' W on 19 Aug. at noon, adding that the ships might eventually overtake or encounter one another. (See Telegram 2200.)

At 2246 the UCKERMARK reported another attack, this time by seaplanes, and at 2300 she reported that she was being constantly attacked and shadowed, and that she shot down 1 plane and was returning along 440 N at a speed of 21 knots. At the same time she asked for fighter protection. The 3rd Torpedo Boat Flotilla is being dispatched to bring her in. Thus, the UCKERMALK has for the second time failed to break through. It is also questionable whether the WESERIAND can get away. The only course left is to wait for more favorable visibility conditions during the newmoon phase in September and for the effect of operations by our planes in the Bay of Biscay area after the arrival of reinforcements.

Channel Coast:

In the night of 18 Aug. the 5th PT Boat Flotilla carried out its mine operations in quadrants BF 2382 and 2381 according to plan. The pursuing enemy motor gunboats passed the flotilla, which had stopped, without an encounter. For brief report see Telegram 1100. The 5th PT Boat Flotilla is scheduled to transfer from Guernsey to Cherbourg in the night of 19 Aug. In the same night 13 boats of the 2nd and 4th PT Boat Flotillas are to be sent into action off the southeast coast of England.

Enemy Landing at Dieppe:

- (1) At 0428 our convoy consisting of subchasers "1404" and "1411", mine sweeper M "4015", and 5 motor ships encountered superior enemy naval forces which consisted of flotilla leaders, several motor gunboats, and numerous gunboats. The convoy was dispersed in the course of the engagement; subchaser "1404" was driven off and was in flames when last sighted 10 miles north of Dieppe at 0603. Other reports stated that she blew up. Subchaser "1411" and mine sweeper M "4014" fought separate engagements during which subchaser "1411" fired on and rammed a large assault boat carrying 20 to 30 men, destroying it. Hits were scored on several motor gunboats and a flotilla leader. I large gunboat was sighted burning, and I motor gunboat was seen drifting bottom up. During the engagement numerous enemy planes strafed our vessels. 2 bombers and I fighter were definitely shot down, and I fighter was probably shot down. The convoy was brought into the roadstead of Le Treport where it can be protected from the shore.
- (2) This engagement alerted the coast sector from Boulogne up to Cherbourg against the enemy landing which started on the coast near Dieppe at 0600. One landing party consisting of about 3 regiments with 30 tanks debarked from 300 to 400 landing barges during the morning and succeeded in establishing footholds on the beaches of Dieppe, Belleville, and St. Valery. 13 to 15 light naval vessels and several fighter groups supported the landing operations. The fire opened by the alerted Army defense forces inflicted heavy casualties on the enemy landing troops which were

thus unable to send their tanks into action and to seize or hold their objectives, i.e., batteries, anti-aircraft equipment, and, most important of all, the harbor of Dieppe. We were able to hold the 15 cm. Army battery no. 830 at Pourville in hand to hand fighting even after the guns had been blown up.

- (3) During the early afternoon hours the enemy forces began to re-cmbark. Even while the embarkation was in progress, the artillery of our 302nd Division succeeded in opening effective fire on 3 destroyers, 2 torpedo boats, and several landing barges, which probably sank. In the evening the Commander in Chief, West was able to report that there was not a single armed British soldier left on the mainland, and that while our losses were moderate, we took 1,500 prisoners, including 60 Canadian officers, and destroyed 26 tanks. The harbor of Dieppe is undamaged and the harbor barrage intact. A fighter-bomber sank 1 destroyer of the HUNT class off the entrance to the harbor. The Air Force radar station near Berneval, for which a stiff battle was fought, is in usable condition. The landing was repulsed by the regular forces assigned to the respective division sectors, without resorting to the SS troops and the 10th Panzer Division which had been brought up as reinforcements.
- (4) Available reports as well as prisoner statements, confirm that it was planned to land 3 regiments. Behind this advance party there were 26 transports which were also spotted by our Air Force.

A simultaneous landing, expected to be made at some other point in the west area, did not materialize. A clear picture of the enemy's actual intentions cannot be formed as yet. The forces employed in the operation appear too large for a mere raid, especially since more transports were standing by in the rear. It is possible that the Dieppe harbor was their first objective and that parts of the second wave were to be landed there with the purpose of establishing a real invasion bridgehead. However, there is no definite proof.

- (5) So far, the Naval Staff has not received any reports about participation of naval forces in the defensive combat on the coast. The Armed Forces High Command Operations Staff assumes that British troops also landed on the outer edge of the Dieppe jetty. Our planes have been sent into action against the main force of 26 transports which is withdrawing in westerly direction. No results have as yet been reported.
- (6) Between 1400 and 1530 a lively exchange of enemy radio messages was observed by our radio intelligence, indicating that the situation of the enemy was difficult at that time. A report about the sinking of a destroyer of the HUNT class by artillery fire was intercepted at 1450.
- (7) The first news concerning the details of the operation did not start coming in at the Naval Staff until noon, and all reports came from other branches of the Armed Forces. Only after 2000 in the evening did Group West transmit details of vital interest for the Navy. Thus the real importance of the engagement between our convoy and the enemy landing force as the initial phase and a warning signal very unfortunately failed to receive full recognition on that day. For the same reason, no mention of the importance of this engagement is to be found in the special communique from the Fuehrer Headquarters announcing

the success of the German coast defense and the crushing defeat of the attacker with explicit reference to the political pressure by Stalin which had forced the British to commit this act of desperation.

For messages and reports received see File "Enemy Landing at Dieppe on 19 Aug. 1942" and appendix to War Diary, Part C, Vol. II b.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

A few planes were observed flying in the direction of the Skagerrak. Toward noon air reconnaissance spotted a south-bound convoy off Lowestoft and a convoy proceeding on an unspecified course off Cromer. Each of the convoys consisted of 15 to 16 steamers. At Ohls motor gunboats were sighted in the vicinity of the Den Helder approach buoy.

Own Situation:

On the night of 18 Aug. about 25 enemy incursions were observed on a wide front to the east and northeast over the German Bight and Jutland as far as the northern tip of Langeland Island. It is assumed that the planes dropped mines. Increased readiness was ordered on the Danish west coast since enemy ships were located by the radar set (Lamageraet) at Thyboroen. For details see Telegrams 0650 and 0746. In the afternoon single enemy planes carried out reconnaissance flights over the northwestern coast of Germany as far as the area of Hanover.

Up to 2000, 5 ground mines had been swept off Terschelling, 3 off Borkum, and 1 ground mine was swept off the Ijmuiden jetty. 1 of the 5 mines off Borkum was swept by a mine-sweeping plane.

Convoy and patrol operations in the area of the Commanding Admiral, Defenses, North proceeded according to plan without incidents.

Pointing to the enemy landing at Dieppe, Group North directed the Admiral, Netherlands and the Commanding Admiral, Defenses, North to order the highest degree of readiness on the coast and at sea and to limit the convoy movements to a minimum until further notice. (See Telegram 1201.)

2. Norway, Arctic Ocean:

Enemy Situation:

For details of photographic reconnaissance carried out over the area of Iceland on 18 Aug. see Telegram 1231.

Reconnaissance flights carried out by the 5th Air Force over the Spitsbergen area on 19 Aug. failed to yield any results of tactical

significance. On the west coast, the sea was found free of ice as far as the Bell Sound, while 5 to 10% drift ice was observed in the area between the Bell Sound and the Ice Fjord. A total of 11 patrol vessels were located off the north coast of Iceland. In the afternoon 10 to 15 large vessels were in Reykjavik.

Own Situation:

No incidents occurred in the area of the Commanding Admiral, Norway.

For additional remarks on the report of submarine U "405" about sighting convoy PQ 18 see Conference on the Situation with the Chief, Naval Staff.

The Commander in Chief, Air Force reports that the weather expedition "Knospe" cannot be brought in before the beginning of September since the only plane which can be used for this purpose, a BV 222, is being overhauled.

The 9th Submarine Flotilla reported that submarine U "595" sighted drifting mines in quadrants AE 8335, 8337, and 8539 between 27 and 29 Jul. Group North has informed all submarines in that area.

Submarine U "435" was ordered to patrol the approach to the Ice Fjord where steamers are occasionally sighted by our planes.

In connection with operation "Wunderland", submarine U "601" was ordered to withdraw to the area between Dickson Island and White Island after her rendezvous with the SCHEER. Submarine U "255" is to patrol the passage between Cape Zhelaniya and the ice boundary and to maintain contact with worth-while targets for subsequent operations by the cruiser SCHEER. Submarine U "251" has been ordered to wait for the SCHEER at 77° 30' N, 73° E beginning 20 Aug. from 1600 to 2400 and to proceed immediately thereafter to the area west of the Kara Strait, if ice conditions permit.

4 enemy patrol vessels opened fire on submarine U "209" in the northern approach to the Korgtin Strait. The submarine withdrew farther out to sea for the planned transfer of ammunition.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

No reports of importance have been received.

2. Own Situation:

In the night of 18 Aug. enemy planes were active over the entrances and the western part of the Baltic Sea. It is assumed that they dropped mines. In the eastern Baltic, some 30 enemy planes were reported over the Memel-Tilsit-Insterburg-Goldap area. The planes penetrated as far as Rixhoeft, Gdynia, and Danzig, dropping bombs. For damage and casualties see Telegrams 0710 and 1157. In the afternoon single enemy planes carried out reconnaissance missions over the area of Schleswig-Holstein and Kiel. Smoke screens have been ordered for Kiel. (See Telegram 2006.)

Convoy and patrol operations in the area of the Commanding Admiral, Defenses, Baltic Sea proceeded without incidents.

In the early morning hours 16 Russian bombers attacked a subchaser group off Vigrund in the Gulf of Finland. Mine sweeper M "30" suffered casualties. In the evening of 18 Aug. Finnish fighters shot down 16 more Russian fighters. The air battle was fought over an area extending as far as Shepel.

Due to unfavorable weather conditions, operation "Seehund II" was postponed. Convoy and mine-sweeping operations were carried out according to plan.

V. Submarine Warfare

1. Enemy Situation:

Lively air activity was reported over the southern rendezvous area. Submarine sighting reports from planes in connection with our operation against the convoy east of the Azores were intercepted on several occasions.

Other submarine sighting reports were intercepted from the area east of New York, the Florida Strait, and from the areas south of Cuba and west of Trinidad. Submarine attacks were reported from the area east of Curacao and 250 miles north of the Anegada channel (Lesser Antilles).

According to an intelligence report from London of 11 Aug. a convoy of 14 steamers is being loaded with tanks and anti-tank guns on the Isle of Man.

2. Own Situation:

4 submarines have left their bases. For operations in the Arctic Ocean see Situation Arctic Ocean.

From the northbound convoy intercepted west of Trinidad, submarine U "162" sank a 6,000 GRT steamer, while submarine U "564" (Lt. Suhren) sank 2 tankers and 2 large steamers, totalling 28,000 GRT, despite strong defense action by destroyers and planes.

The convoy proceeding west of Windward Passage has not been intercepted again. Submarine U "553" reports that the 5,000 GRT steamer from this convoy, which was torpedoed on 18 Aug., has probably sunk.

Submarine U "510" sank the steamer NORTHUMBERLAND (probably 1,255 GRT) in the area off French Guiana.

A strong air escort sent into action badly hampered our operation against the northbound convoy east of the Azores which has reached the latitude of Cape Vilano. Only submarine U "406" was still able to sink a 6,000 GRT steamer from this convoy. The convoy was reported to consist of 15 to 20 steamers. Several of our submarines were damaged by depth charges and bombs. The Commanding Admiral, Submarines ordered the operation discontinued.

In the Mediterranean, the rescue mission for submarine U "83" has been completed.

For details from all operations areas see Supplement to the Submarine Situation in War Diary, Part B, Vol. IV.

3. Special Items:

Concerning the effect of enemy planes on our submarine operations, the Commanding Admiral, Submarines submitted the following report to the Naval Staff, with copies to Group West, the 3rd Air Force, and the Air Commander, Atlantic Coast:

The plane escort of the enemy convoy located by our submarines 110 miles east of the Azores on 16 Aug. and pursued northward was observed as early as 18 Aug. 420 miles west of Finisterre. By that time our submarines had already sunk 6 vessels totalling 31,700 GRT, without loss or damage to themselves.

Enemy air attacks on 16 Aug. (sic) resulted in our loss of contact with the convoy and in heavy bomb damage to one of the submarines, which must presumably withdraw entirely from the operation. On the whole, the presence of even a few enemy planes makes operations against the convoy very difficult. This difficulty, however, could be overcome if He 177's were sent up to chase the enemy planes away.

These planes would:

- a. Eliminate the aforementioned difficulty for our sub-marines.
 - b. Help to reestablish contact with the convoy.
- c. Offer chances for successful attacks on vessels proceeding without escort which have dropped out of the convoy due to submarine action.

The Naval Staff will take up the matter with the Air Force Operations Staff.

VI. Aerial Warfare

1. British Isles and Vicinity:

In the course of our defense action against the enemy landing at Dieppe 94 enemy planes were shot down definitely and 30 probably. The Naval Staff has not yet received any report about combat operations against the enemy ships.

In the night of 19 Aug. 25 German planes attacked Portsmouth and 10 attacked alternate targets.

No enemy planes flew over the Reich territory in that night.

2. Mediterranean Theater:

No noteworthy reports have been received.

3. Eastern Front:

Reconnaissance planes were active over the Black Sea and the Sea of Azov. Around 0900, la Russian submarine was sunk northwest of Hogland in the Gulf of Finland.

For reconnaissance results from the Arctic Ocean see Enemy Situation, Arctic Ocean.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The British Admiralty announced that the anti-aircraft cruiser CAIRO and the destroyer FORESIGHT were lost during the recent attack on the convoy in the western and central Mediterranean and that these ships, together with the EAGLE and the MANCHESTER, are the large war vessels lost in the course of this action. 66 Axis planes were shot down, as compared with 8 British planes.

The destroyer WRESTLER, which the Admiralty previously announced as sunk, evidently does not count as a large vessel.

In reply to an inquiry by the Naval Staff (see War Diary 17 Aug.), the German Naval Command, Italy reports that, according to available information, only 2 battleships of the NELSON class definitely participated in the recent convoy operation. One of these battleships is still in Gibraltar in a damaged condition, while the other is assumed to have departed westward on 16 Aug.

On the morning of 19 Aug. the cruiser CHARYBDIS remained at sea east of Gibraltar for a few hours. The NELSON, the ARGUS, the FURIOUS, I ship of the ILLUSTRIOUS class in dock, and 3 cruisers, one of them of the FIJI class also in dock, were located in the Gibraltar harbor. Observation was incomplete. An agent reports that the foredeck of the NELSON is damaged. One of the FIJI-class cruisers is said to be the NIGERIA and to have been hit by a torpedo.

In the morning Italian reconnaissance planes sighted 3 westbound British destroyers between La Galite and Cape de Fer, presumably en route from Malta.

4 steamers, 2 tankers, 3 submarines, and 2 patrol vessels were located in the harbor of Valletta.

Submarines were sighted off Sfax, east of Derna, and north of Leukas Island.

2. Own Situation, Mediterranean:

No incidents were reported.

3. Transport of Supplies to North Africa:

On 18 Aug. an enemy submarine sank the Italian steamer

PERSEO (4,857 GRT) off Cape Carbonara (Sardinia). The arrival of the CITTA DE ALESSANDRIA convoy which was attacked by enemy planes en route from Suda to Tobruk on 18 Aug. has not been reported. 4 German landing craft are en route from Palermo to Tripoli.

826 tons were unloaded in Tobruk on 17 Aug. and 930 tons on 18 Aug.

4. Area Naval Group South:

Aegean Sea:

No noteworthy incidents occurred.

Black Sea:

Enemy Situation:

Air reconnaissance reported that 2 steamers, 1 tanker, 1 warship hull, and the cruiser KOMINTERN departed from Tuapse in the morning, evidently in the course of the evacuation of this base.

Lively tug and barge traffic was observed on the Volga River. No noticeable changes occurred in the number of ships in Astrakhan.

Own Situation:

The Admiral, Black Sea ordered the Commander of the Danube Flotilla to come immediately to Ivanbaba in order to carry out minesweeping operations in the Sea of Azov, the Kerch Strait, and off the Caucasus coast. The harbor of Akhtari is badly damaged. The mine situation is unknown. However, according to a report of the Naval Harbor Control Office, facilities for transshipment and transport of supplies are available.

5. Special Items:

- a. According to a Russian source, a canal 90 to 110 cm. deep connects the northern Kuban River mouth with Taman Bay since 1941.
- b. The Naval Liaison Officer to the Army High Command transmitted to the Naval Staff and to Group South the following report of Army Group A to the Army High Command dated 17 Aug.:

"The Army Group has always strictly and carefully directed every detail of the various operations involving the naval landing barges.

"All in all, the Army Group had 19 landing barges at its disposal, as well as 2 heavy ferry battalions. One of these battalions and 3 landing barges are employed to carry supplies. One of the landing barges sank upon striking a mine, leaving a total of 18 landing barges available.

"5 Rumanian divisions and a strong anti-aircraft artillery force are to be brought up to the mainland from Kerch. Since the aviation gasoline required for operating the Siebel ferries of the heavy ferry battalion cannot be made available to the Army High Command, the ferries can be used only to a very limited extent. If the landing barges are now also going to be withdrawn from Kerch, as suggested by the Army High Command, any regular and continuous transport of personnel across the sea will become impracticable, since no other ships are available for this purpose. Even now it

take's at least 2 weeks to bring over a single division.

"Nevertheless, as soon as a certain number of troops has been brought over from Kerch to the Taman Peninsula, the Army Group will investigate the possibilities of reducing the number of landing craft operating there and using the remaining ones for the transport of supplies. On the other hand, the Army Group feels compelled to point out that since the 298th Division has been likewise withdrawn it has become imperative to assign to its area the Rumanian forces, which are to be brought over from Kerch. They are also particularly needed for defense tasks in the large occupied area, since the few German divisions that are left are urgently needed at the front."

VIII. Situation East Asia

No noteworthy reports have been received.

IX. Army Situation

1. Russian Front:

Army Group A:

On the Caucasus front sectors, our attacking forces, occasionally encountering stubborn resistance, are gaining ground in southerly and southeasterly directions according to plan. The 13th Panzer Division took Vorontsovo east of Maisky and is advancing toward the east. The lllth Division crossed the Kuma River near Praskoveya and Vladimirovka (150 km. from the Caspian Sea).

Army Group B:

The bridgehead on the Don River northwest of Stalingrad was widened and the military bridge completed. Enemy attempts to cross the river in front of the Sth Italian Army were warded off.

Central and Northern Army Groups:

Stiff fighting continues in the area west of Byelev and in front of the Zhizdra positions, as well as in the penetration point southeast of Rzhev. On the northern front of Rzhev and near Lyubnitsa on the Demyansk front the enemy succeeded in penetrating our lines. Our troops, however, were able to seal them off. Enemy attacks near Staraya Russa and on the Pola and the Redvya Rivers were repulsed. Enemy assembly positions near Soltsy were smashed, and the enemy attack southeast of Leningrad in the sector of the SS Police Division was brought to a halt.

2. Finnish and North African Fronts:

Nothing to report.

· 3. France:

At 0605 the enemy began to land troops in the sector near Dieppe. At 1000, debarkations were still going on at Dieppe and Pourville. The situation was unclear at Quiberville. Another landing was expected at Saint-Aubin. Late in the afternoon the landing was successfully repulsed at every point (see Situation West Area).

Items of Political Importance

The enemy landing at Dieppe is being widely discussed. Even while the operation was still in progress, the British were sending situation reports to the French people by radio as well as by leaflets; they warned the French population against any participation in the battle since the present operation was of a merely temporary nature. After the conclusion of the operation the contention that the undertaking was not an invasion attempt but an action of limited scope was emphasized in a special communique of the British radio, which stated that the main combat force re-embarked almost to the minute according to schedule. The loss of 92 planes was admitted.

Information obtained in the meantime by the Army seems to confirm the fact that the undertaking was meant to be of limited scope.

Be that as it may, the fact that the landing was beaten off will undoubtedly have serious political consequences which will prove harmful to the enemy. Even if the undertaking was actually intended as a nuisance action of limited military scope, from the political point of view it was unwise, to say the least, because it was bound to end in heavy losses, without on the other hand producing any visible success. Not even the most skillful propaganda will be able to convince anybody that it paid to undertake such an operation just to destroy the harbor of Dieppe and a few batteries and radar sets in its vicinity, or that the heavy casualties were not too high a price to pay for the experience gained. Since the constant discussion about establishing the second front in Europe had been going on for weeks, it is impossible to separate the Dieppe incident from this issue and avert the political fiasco, which is much more serious when connected with a military failure. It was therefore to be expected that the country most interested in an invasion, namely Russia, would receive the news about Dieppe with extreme coolness.

A noteworthy article about the results of the Moscow conference appeared in the Neue Zuericher Zeitung. It calls attention to the fact that no mention was made of Japan during the negotiations, and that the emphasis was on the military aspects of the discussion. On the other hand, the words "second front" do not appear in the official communique on the conference. For details see Political Review No. 194, paragraph 1.

Syria:

According to a diplomatic source, disagreement has arisen between De Gaulle and Catroux because of the latter's refusal to send troops to Egypt.

Italy:

The <u>Tribuna</u> voices once again the Italian claims to <u>Tunisia</u>, Corsica, and Malta, mentioning the Italian victory at <u>Pantelleria</u>. It states, however, that it is not enough to exclude foreign powers from the Mediterranean proper, for as long as its entrances are in foreign hands, the Mediterranean Sea will remain a prison.

Portugal:

In connection with the negotiations in South Africa, conducted by the Colonial Minister, it is reported that Prime Minister Smuts insists that Mozambique is too weak to prevent the Japanese from establishing bases there. He believes that the situation calls for cooperation on the part of South Africa and Portugal.

Conference on the Situation with the Chief, Naval Staff

I. Following the experience with the attempts of the WESERLAND and the UCKERMARK to leave port, as reported in detail by the Chief, Operations Branch, Naval Staff Operations Division, the Naval Staff has arrived at the conclusion that the threat of air attacks, the weather conditions, and the present moon-phase make a breakthrough at this time too hazardous for these valuable ships. The Chief, Naval Staff agrees that Group West should be directed to order another breakthrough as soon as the enemy situation and weather conditions appear favorable. This will presumably not be the case before early September. It is more important to save the ships for blockade-runner missions than to adhere to the schedule at the cost of sure losses.

A directive to this effect has been issued to Group West.

II. Report by the Chief, Naval Ordnance Division:

- l. Oil Situation in Russia: According to statistics, production in 1940-1941 amounted to 25,000,000 tons in Baku, 2,500,000 tons in Maikop, 2,500,000 in Grozny, and 4,000,000 tons in the rest of Russia, excluding Sakhalin Island. The Maikop oil is particularly rich in gasoline. Many of the drilling plants in the Maikop area are destroyed. 2 brigades have been assigned to drill. To explore and put into operation the entire Caucasian oil district would cost 10 to 20 billion marks.
 - 2. Protection of the Nile dams by Egyptian troops.
- 3. New regulations issued by the Minister for Armaments and War Production, concerning the following:
- a. Inventions made in factories under private ownership.
 - b. Employment of transport specialists.
 - c. The duties of the Armament Office (Ruestungskontor).
- 4. The effect on naval batteries of the Fuehrer directive for reinforcing coastal defenses against air attacks.

The Chief, Naval Staff will ask the Fuehrer whether the SEYDLITZ turrets may be set up in France so that the GNEISENAU turrets can be left in Norway as planned.

III. Report by the Chief, Naval Staff Quartermaster Division:

1. The enemy landing at Dieppe is viewed very calmly at the

Fuehrer Headquarters. The Commander in Chief, West and the Air Force Operations Staff transmitted the news promptly and in great detail. Unfortunately, contributions from the Navy were lacking.

2. While on a short visit in Mariupol, the Chief, Naval Staff Quartermaster Division found 6,000 tons of armor in the Ilich plant, which is suitable for strengthening the coastal defenses in the west area and in Norway. The matter has been reported to the Fuehrer.

From the afternoon of 20 Aug. till the morning of 23 Aug. the Chief, Naval Staff will be away from Berlin on an official trip to Ploen and Segeberg.

Special Items:

- I. The Naval Staff has summed up the opposing views of the German and Italian Navies about a permanent mine barrage in the French territorial waters off the Tunisian coast on the basis of the latest reports and has sent this information to the Foreign Office, with copies to the Naval Representative on the Armed Forces High Command Operations Staff, the German Naval Command, Italy, and the German Armistice Commission, France. The Foreign Office has been asked to make known its views on the issue. What the Naval Staff wants to find out is whether there are any real objections to the Naval Staff's position that the barrage should be laid by the French, who alone are able to control any necessary gaps in the minefield. For details see 1/Skl I E 1616/42 Gkdos. Chefs. in War Diary, Part C, Vol. VIII.
- II. Radio Intelligence Report No. 33/42 of the Naval Communications Division, Communications Intelligence Branch contains a compilation of enemy reports intercepted by the radio decoding and intercept services between 10 and 16 Aug. 1942.

The following is included:

- 1. Reports on the naval situation sent by the Russian signal stations on the Murman Coast.
- 2. The tactical organization of the naval air forces of the Russian Baltic Sea fleet.
- 3. Russian Army radio messages of 6 Aug. according to which all supplies stored in the harbors of the Caspian Sea and of the lower part of the Volga River are to be brought up the Volga with utmost speed.
- 4. It is pointed out that convoy PQ 18 is not mentioned in a situation report intercepted in its entirety from the Iceland area on 6 Aug. This may be considered a confirmation of the negative results of our air and submarine reconnaissance concerning convoy PQ 18.

Situation 20 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

On 19 Aug. radio Freetown issued an urgent message to all warships in its area, mentioning 2 positions directly northeast of the point where the DALHOUSIE was attacked. The message presumably refers to a patrol.

The British press and radio have repeatedly reported about the appearance of a heavily armed German auxiliary cruiser in the South Atlantic off the West African coast. The ship is described as a 9,000 ton vessel, with 20 knots speed, armed with 6 guns, some of 21 cm. caliber. The vessel is reported to have fired 60 rounds on an American merchant ship during the night, killing 15 men and capturing 46. PT boats lowered from the auxiliary cruiser encircled the American ship and sank her with 3 or 4 torpedoes. 10 survivors have arrived in a port on the Atlantic Ocean.

The MORETON BAY. which was reported converted to an auxiliary cruiser a year ago, left the La Plata with a cargo of meat.

Indian Ocean:

An agent reports that 12 ships carrying planes and American troops passed through the waters off the Cape bound for Australia during the first week of August. According to the same source, the tanker route between the Persian Gulf and Australia runs via Zanzibar.

2. Own Situation:

The failure of the UCKERMARK and the WESERLAND to break through has necessitated a new arrangement for supplying ships "23" and "28". The two ships have therefore been ordered to get their fuel from the supply still left on the CHARLOTTE SCHLIEMANN which will arrive at a rendezvous point 8 miles farther south than point "Seide" and at the same longitude on 22 Aug. The Naval Staff assumes that ship "28" will be the first to reach the rendezvous point, and that in order to take over the fuel supply she will head toward a calm spot because of the prevailing weather conditions. For this reason ship "23" should not steer for the rendezvous point before 25 Aug. After having supplied both ships with fuel oil, the SCHLIEMANN is to proceed to Japan. After refueling, the two auxiliary cruisers are requested to report at their convenience how long they can remain at sea, including their return voyage to western France, and the date on which the SCHLIEMANN was released.

Preparations are under way to bring up supplies for ships "28" and "23" from Japan. (See Radiogram 1749.)

Via Radiogram 1822 ship "10" is directed to take only the indispensable minimum out of the supplies sent with the TANNEN-FELS and leave the rest of the supplies, as well as the plane,

for ships "28" and "23", and to take over the prize crews.

Information about the enemy situation was sent out via Radio-gram 2215.

II. Situation West Area

1. Enemy Situation:

In the morning of 19 Aug. air reconnaissance spotted 4 steamers with 2 destroyers and 1 escort vessel on a westerly course off Start Point and 9 steamers with 4 destroyers and 2 escort vessels on a northeasterly course off Land's End. On 20 Aug. several motor gunboats were sighted between Dover and Hastings, 2 destroyers and 2 steamers were spotted on a 45° course south of Dungeness, and 3 large war vessels and 12 landing barges were observed in Brighton.

2. Own Situation:

Atlantic Coast:

At 0921 the blockade-runner WESERLAND reported that, while attempting to break through for a second time, she was attacked by enemy planes at 430 ll' N, 90 20' W during the night and was pursued by shadowers. She is trying to reach Finisterre. Group West ordered the ship to proceed eastward within or along the Spanish territorial waters. (See Telegram 1035.)

Further orders forbidding the WESERLAND to enter any Spanish harbor except in emergency were sent via Radiogram 1239 along with the announcement that 3 of the new mine sweepers are en route to bring her in.

In the meantime the Naval Staff informed the Naval Attache in Madrid that 2 outbound blockade-runners have been under constant attack by British planes about 20 miles north of Cape Ortegal from 19 Aug. in the afternoon until tonight, and that one of them turned back at night and is steering for the French coast at 44° N, while the other has been heading for Finisterre since 0830. This ship will presumably enter a Spanish harbor.

At 1908 a report came in from Group West stating that the UCKER-MARK had entered the Gironde at 1800. Shortly thereafter Group West reported that according to a message from the Naval Attache in Madrid the WESERLAND entered Corcubion Bay at 1100 and intended to proceed eastward at nightfall. Steps are being taken to bring her in. (See Telegram 1905.)

At 2119 the WESERLAND reported that she left Corcubion Bay in easterly direction at 1800.

Channel Coast:

Group West announced that on 19 Aug. an unmanned harbor defense vessel was sunk in the harbor of Dieppe and that the

harbor was damaged by artillery fire and air raids. The Navy suffered the following casualties on 19 Aug.: 11 killed, 20 wounded, 10 missing. Subchaser "1404" is a total loss.

The Naval Staff expects to receive a comprehensive report about the part played by the Navy in warding off the enemy landing on 19 Aug. Radically new aspects have not presented themselves so far.

According to data compiled by the Air Force, 945 German planes were sent into action over the Channel on 19 Aug. The Air Force General Staff lists the following successes scored against enemy vessels: 1 destroyer, 1 assault boat, and 5 steamers sunk, 1 motor gunboat probably sunk, 4 cruisers, 8 steamers, 2 motor gun boats, 1 assault landing barge, 1 tug, and 1 crash boat damaged.

The Army General Staff reports that out of the total of 4,200 enemy soldiers participating in the landing no more than 400 to 500, i.e. the equivalent of 2 landing parties, were Britishers. The bulk of the force consisted of 2 Canadian brigades, a number of Canadian engineer troops, and some Norwegians and Yugoslavs. No U.S. troops participated, and the presence of De Gaulle soldiers is not confirmed: U.S. and De Gaulle fliers might possibly have participated in the operation.

The objective was to land the Canadians with the 28 tanks in the center of the sector so that they could demolish the harbor and combat installations of Dieppe and raid the division headquarters in Arque-la-Bataille (6 km. southeast of Dieppe). Upon completion of this task, the landing force was to withdraw. At the same time the two British landing parties were supposed to destroy the batteries on both sides of Dieppe and to seize the vessels in the Dieppe harbor and take them to England. On the whole, the British had a correct picture of our defenses.

From a military standpoint such a limited operation appears even less understandable than from a political standpoint. At best, the seizure of Dieppe for a few hours would have offered the enemy facilities for quickly unloading a few more regiments with some heavy weapons, tanks, and guns. According to the findings of the General Staff, it appears dubious whether the 26 vessels sighted off Portsmouth were assembled there to be used as transports if the first landing wave had been more successful. But even if the enemy had succeeded in establishing a bridgehead in the Dieppe area by landing a force estimated to have totalled 15,000 to 20,000 men, such an operation would have made sense only in conjunction with a successful attempt to tie up our reserve divisions by simultaneously landing more forces of a similar or larger size elsewhere in the west area, and especially, by throwing strong airborne forces behind our lines. Since no such plans seem to have existed—there are, at least, no indications to this effect—the operation of 19 Aug. was bound to end in a military setback for which no military justification can be offered.

Naval Situation on 20 Aug.:

The torpedo operation of the 4th and 1st PT Boat Flotillas against the convoy route in quadrants AN 7392 and 7391 in the night of 19 Aug. was unsuccessful. An enemy destroyer chased and drove off the flotillas. For brief reports see Telegrams 1020 and 1110.

3 boats of the 5th PT Boat Flotilla have transferred from Le Havre to Cherbourg.

In the evening 4 rubber rafts with 8 Britishers and 1 American aboard were rescued off Le Treport.

3. Special Items:

Group West has transmitted the results of its experience with the 3rd Torpedo Boat Flotilla operations in the west area to the Commander, Destroyers, with copies to the Naval Staff and the Fleet. The conclusion is that the flotillas should be composed of torpedo boats of the same type, preferably type 37. (See Telegram 1115.)

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

No noteworthy reports have been received.

Own Situation:

Convoy and patrol operations in the area of the Commanding Admiral, Defenses, North proceeded according to plan. 2 ground mines were swept near Elbe I and a third one was swept off Terschelling. Toward midnight enemy planes attacked our convoy in the German Bight three times without scoring any successes. Enemy incursions in the Netherlands area and over the convoy route between Vlieland and Terschelling in the German Bight were probably for the purpose of laying mines.

On 15 Aug. the Commanding Admiral, Defenses, North issued operations orders for the laying of minefield 5a, code name "Eleanor", and minefield 10a, code name "Fuenfte Kolonne". The new minefields, which are to strengthen the Westwall barrage, will be laid by the mine layers ROLAND, KAISER, and SKAGERRAK, and by mine ships M "82", M "102", and M "20". Escort will be provided by the 8th Motor Mine Sweeper Flotilla, gunboat K "1", and 2 boats of the 21st Mine Sweeper Flotilla. The force is under the strategic command of the Commanding Admiral, Defenses, North and under the tactical command of the commander of the ROLAND.

The force which is to carry out the mine-laying operation "Eleanor" has been ordered to depart on 21 Aug.

2. Norway, Arctic Ocean:

Enemy Situation:

At 1450 radio intelligence intercepted a British message about a submarine, evidently the U "435", entering the Ice Fjord (Spitsbergen).

At 1425 air reconnaissance sighted 1 battleship, 1 vessel presumed to be a light cruiser, and 3 destroyers proceeding on a southerly course 35 miles west of Reykjavik, and at 2020 1 heavy and 1 light cruiser proceeding on a 270° course 130 miles east of Jan Mayen. It is possible that these vessels are being sent into action against the expected breakthrough of our ship into the Atlantic Ocean. A submarine reported that according to sound location, 1 steamer was proceeding on a 60° course in quadrant AC 1285 toward midnight. No contact was established, and it is therefore not clear whether the steamer was part of a convey. In any case, it is quite possible that the cruisers sighted east of Jan Mayen are connected with it.

In the afternoon 3 large ships were located in Reykjavik and l vessel presumed to be a light cruiser, 2 tankers, and 8 large vessels in the Hval Fjord.

Interpretation of aerial photostaken on 18 Aug. showed 1 battle-ship of the KING GEORGE V class, 2 heavy cruisers of the CUMBER-LAMD class, and 1 U.S. cruiser of the OMAHA class in the Hval Fjord, and 1 U.S. destroyer, 1 U.S. gunboat of the ERIC class, 1 mine layer, and 1 aircraft recovery ship, in addition to the previously reported merchant vessels, in Reykjavik.

Own Situation:

Due to prevailing weather conditions the Commanding Admiral, Norway has ordered increased readiness in his area. Otherwise there is nothing noteworthy to report.

A British press report states that it has been confirmed that a submarine sank the steamers BOLTENHAGEN and GEORG L.M. RUSS. Thus enemy submarines are again operating off the west coast for the first time in 1 1/2 years. Group North has asked the Commanding Admiral, Norway for information about any defensive steps planned in this connection, apart from mine-laying.

Operation "Wunderland":

According to a report from the Admiral, Arctic Ocean, photographic reconnaissance shows the following:

- a. Due to the prevailing ice conditions, submarines can pass through the Kara Strait only once, if absolutely necessary.
- b. Amderma is nothing but a small settlement with a pier. Coal is apparently mined above ground in the vicinity of the settlement.

Consequently, an operation against Amderma would not pay.

Group North has agreed to an earlier termination date for operation "Wunderland". However, the coast should be reconnoitered in westerly direction in any case.

The information about Amderma at the Naval Staff is scarce.

According to findings by the Naval Intelligence Division, Foreign Merchant Marine Branch, the convoy which has been en route from Petropavlovsk via the Arctic Ocean to White Sea harbors since the end of July is presumed to consist of 23 vessels ranging from 1,600 to 4,800 GRT. For a list of ship names see 1/Skl 28470/42 geh. in File "Wunderland".

Group North has been informed accordingly.

Submarine U "456" delivered ammunition to submarine U "209" in quadrant AT 4884. Immediately thereafter she twice attacked an icebreaker escorted by patrol vessels without any success and then gave up the pursuit since the icebreaker seemed to be equipped with excellent sound locators.

Mine Operations in the Arctic Ocean:

On 10 Aug. Group North issued a directive to the Admiral, Arctic Ocean; with copies to the Naval Staff, the Fleet, and the Commanding Admiral, Cruisers, which must be carried out with utmost speed because the route via eastern Siberia will be navigable only during a short period.

The directive refers to the following operations:

- a. Operation "Zar", in which 200 standard mines type F and 100 type C are to be laid in 20 sections off the northern tip and northwest coast of Novaya Zemlya. The undertaking is to be carried out by mine layer ULM.
- b. Operations "Zarewitsch" and "Romanow" are to be carried out by destroyers, possibly in a single operation, south and north of Kolguyev Island.
- c. Operation "Rasputin" is to be carried out by the KOELN and 2 destroyers in the western approach to the Matochkin Shar. In this case the ships will have to operate to the very limit of their operations range.
- d. Operations "Peter", "Paul", and "Iwan", are to be carried out by submarines in the western outlet of the Matochkin Shar, in the western outlet of the Yugor Strait, and off the Pechora estuary.
- e. Operation "Rurik" is to be carried out by a submarine which will mine the waters off Amderma.

Operation "Knospe":

Acting in agreement with the Naval Staff and the Chief of the Meteorological Division of the Naval Staff, Group North will try to send a submarine to bring in the "Knospe" personnel.

Since the attempt may fail because of prevailing ice conditions, the weather ship with automatic weather reporting gear in Oslo, will be sent out simultaneously.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

It was observed that 3 destroyers had changed berths in Kronstadt. One of the destroyers practised firing on a moving target.

According to a report of the Air Force General Staff, photographic reconnaissance carried out in August has so far shown 169 vessels in Leningrad and 195 in Kronstadt. 29 of the vessels in these two harbors were submarines. 439 vessels were counted in Lake Ladoga, including 40 war vessels, 5 auxiliary warships, 2 torpedo boats, and 32 motor mine sweepers and motor boats.

2. Own Situation:

6 men from the steamer WURI were killed and 59 are missing. The latter figure might be revised downward if some of the missing are found.

On 18 Aug. the Commanding Admiral, Defenses, Baltic Sea went aboard the flagship REIHER. Otherwise no incidents were reported from the area of the Commanding Admiral, Defenses, Baltic Sea, except for 2 mines swept off Samsoe and Kallundborg.

On 18 Aug., at 1400, an enemy submarine sank the Swedish steamer LILJEVALCH (8,770 GRT) proceeding in a 16 vessel convoy within Swedish territorial waters off Vaestervik. Swedish war vessels pursued the submarine with depth charges but the effect could not be ascertained.

Operation "Seeigel XXVII" in the Gulf of Finland was carried out according to plan. The laying of the "Seehund" minefield was postponed because of unfavorable weather. Mine-sweeping and convoy operations in the area of the Commander, Mine Sweepers, Baltic Sea proceeded according to plan without incidents.

3. Special Items:

The Armed Forces High Command Operations Staff has taken note of the Navy's demand for priority in the utilization of the Russian harbors in the Baltic Sea (see War Diary 1 Aug.), adding that any orders necessitated by this measure must be approved by the Fuehrer and will be submitted to him in time.

Thus, no final decision has as yet been passed on the matter. The Naval Staff Quartermaster Division has been informed accordingly.

V. Merchant Shipping

l. The Armed Forces High Command Operations Staff has revised the instructions for the Supply and Transportation Office of the Armed Forces Overseas and the directives for the execution of overseas transports in accordance with the present expanded tasks. The Supply and Transportation Office of the Armed Forces Overseas is the executive agency of the Armed Forces High Command Operations Staff for all supply and transportation problems of the German Armed Forces in Scandinavia and Africa, as well as for overseas transports of the Armed Forces to and from the Baltic countries and across the Black Sea. The new directive entrusts this office with handling transports of troops, men on leave, and Armed Forces supplies for Norway, Sweden, Finland, the Baltic countries, and Africa, as well as across the Black Sea. Orders issued by the Supply and Transportation Office of the Armed Forces Overseas for arranging these transports are binding for all commands concerned. Transports by naval ships or by special-purpose planes of the Navy and the Air Force are not subject to this regulation unless they affect the over-all Armed Forces transport program.

None of the Armed Forces offices is permitted to charter on its own initiative any ships or cargo space to or from Scandinavia, the Baltic countries, and Africa, or across the Black Sea.

For a copy of the Armed Forces High Command directive see 1/Skl 20376/42 Gkdos. in files I op IV, Vol. 1.

2. In its Foreign Merchant Shipping report no. 18/42, the Naval Intelligence Division, Foreign Merchant Marine Branch gives an account of the Swedish merchant shipping in the present war as of 1 Jul. 1942. According to this, the 83 Swedish ships totalling 268,000 GRT which are operating for the enemy represent no more than about 50% of those which were available to the enemy powers at the outbreak of the war. 35 vessels totalling 174,000 GRT are employed in the Goeteborg traffic, 9 ships are used for the exchange of diplomatic personnel, for repatriation purposes, and for Red Cross missions, while 389 vessels totalling 791,000 GRT are within the German-controlled areas, including 48, or 213,000 GRT, which are laid up.

Another report deals with the ship traffic and transport of material in the Persian Gulf between April and June 1942. Here the traffic has increased by 25% as compared with the first quarter of 1942. It is worth noting that the British transport of supplies to Russia via the White Sea is about equal to that directed via the Persian Gulf.

VI. Submarine Warfare

1. Enemy Situation:

Reconnaissance in the southern rendezvous area was particularly active over the Bay of Biscay and off the northern

coast of Spain. However, no submarine sighting reports were intercepted in this area. British vessels were located some 180 miles northwest of Cape Vilano and southwest of Porcupine Bank.

Some submarine sighting reports have been intercepted from off the American east coast and the West Indies. All U.S. warships were warned of the danger zone in the area west of the Florida Strait between 25° 10' N, 24° 36' N, 82° 10' W, and 81° 23' W through which they may proceed only with the permission of U.S. naval authorities.

2. Own Situation:

For submarine operations in the Arctic Ocean see Situation Arctic Ocean.

In quadrant BE 8696 outbound submarine U "107" detected by means of her newly-installed intercept apparatus 6 times in 24 hours that she was being located by the enemy. Each time the submarine escaped a possible attack by submerging.

This is one practical example illustrating the use-fulness of the intercept apparatus.

No further successes were scored during the operation against the convoy in quadrant ED 83. Submarine U "217" probably sank an 8,000 GRT tanker outside of Curacao and destroyed a freight-carrying sailing vessel with gunfire in quadrant ED 75. 2 tankers were located in the harbor of Aruba. Otherwise the traffic was light.

The submarines operating in the South Atlantic failed in their search for the convoy in quadrants CF 23 and CF 31. The operation was discontinued.

Acting on the directive of the Naval Staff, the Commanding Admiral, Submarines has ordered submarine U "507" to abstain from operating directly off the Brazilian ports or against the Brazilian coastal traffic and from carrying out any operations within the 20 mile zone. This directive of the Naval Staff was issued at the request of the Foreign Office. For details of this particular angle of the issue see War Diary, Part C, Vol. VIII.

No noteworthy reports were received from the Mediterranean. Submarine U "83" was brought in successfully. For further details see supplement to the submarine situation in War Diary, Part B, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

In the course of the large-scale operation during the Dieppe incident of 19 Aug. 128 enemy planes were definitely shot down and 26 probably. Of this total, fighters brought down 102 planes, bombers 6, and anti-aircraft artillery 20. For successes

scored on ships see Situation West Area.

No noteworthy incidents occurred during the day of 20 Aug. In the night of 20 Aug. a small number of planes were sent into action against Portsmouth. 137 enemy planes flew over the German-controlled territory, 85 of which penetrated into the Reich area. It is likely that 30 of the enemy planes dropped mines in the Baltic Sea and its entrances. Some 50 enemy planes were active over the eastern area, concentrating their attacks on Warsaw. For damage see daily situation report.

2. Mediterranean Theater:

Reconnaissance activity was reported concentrated over the Western and central Mediterranean.

3. Eastern Front:

97 enemy planes were reported shot down on 19 Aug. and 65 on 20 Aug. For results of air reconnaissance over the Kronstadt Bay, Lake Ladoga, and the Arctic Ocean see Enemy Situation, Arctic Ocean and Baltic Sea. 1 mine sweeper was sunk and another damaged in attacks on war vessels in the northern bay of Lavansaari.

136 transport planes brought supplies for our troops fighting near Demyansk.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The British Admiralty has published further details concerning the operations carried out in the Mediterranean last week with the purpose of bringing up supplies and reinforcements to Malta. The warship losses mentioned in the report have already been discussed. According to this report, a total of at least 66 German and Italian planes were supposedly destroyed. In addition to 2 Italian cruisers damaged by torpedo hits from submarines, it is claimed that 2 Axis submarines and 2 PT boats were definitely sunk.

According to an intelligence report from Spain, at 0200 17 steamers passed through the Strait of Gibraltar in easterly direction without entering port. At 0230 the ARGUS, the FURIOUS, 1 battleship of the NELSON class, 2 cruisers, and several destroyers departed from Gibraltar on an unknown course, presumably to the west. On 20 Aug. the following ships were located in Gibraltar: 1 ship of the ILLUSTRIOUS class, still in dock, and 2 small cruisers, one of them of the FIJI class, likewise still in dock. Photographic reconnaissance showed the number of ships in Malta reduced by 1 destroyer and 2 patrol vessels, which the Italian air reconnaissance had reported as 3 destroyers off La Galite on 19 Aug.

Air reconnaissance off the coasts of Syria and Palestine failed to yield any results.

2. Own Situation, Mediterranean:

On 19 Aug. the second of the 2 Italian PT boats which had run aground on the Tunisian coast was refloated. In the night of 19 Aug. enemy planes made a heavy attack on Tobruk. Air reconnaissance over the western Mediterranean did not yield any results of tactical significance.

3. Transport of Supplies to North Africa:

According to a directive of the Armed Forces High Command Operations Staff, the 22nd Airborne Division will be recorganized and transferred to the African Panzer Army less one infantry regiment. The transfer will presumably begin toward the end of September. The regiment left behind is to be ferried to Crete as soon as the transport situation permits. The regiment may be brought over to Africa at some later date. Transports carrying reinforcements for the African Panzer Army retain their priority over transports to Crete.

Transport of supplies to North Africa has been resumed on an increased scale. The CITTA DE ALESSANDRIA convoy en route from Suda to Tobruk entered Derna and left again. In the morning enemy planes attacked the convoy of the steamer DORA north of Cape Stilo. No details have as yet been reported.

During the month of July a total of 45,507 tons, including 18,301 tons of German cargo, were unloaded and 20,158 tons, including 12,878 tons of German cargo, were loaded in Benghazi.

4. Area Naval Group South:

Aegean Sea:

Some of the convoys were rerouted because of the submarine menace. Otherwise the convoy operations proceeded as planned.

Black Sea:

Enemy Situation:

Only a few convoys were observed moving along the north-eastern coast.

Own Situation:

On 19 Aug. the 3rd Motor Mine Sweeper Flotilla sank 2 of 4 enemy escort vessels encountered off Temryuk. The 2 other escort vessels, as well as passenger steamers which probably carried troops and equipment, fled back to port. One of the vessels sunk was armor-plated. Group South suggests that the success be included in the Armed Forces communique.

In the afternoon 4 vessels of the 1st PT Boat Flotilla departed for operations in the Tuapse area.

The transport of supplies from Taganrog to Azev by means of landing barges and lighters is under way.

Special Items:

- (1) The Armed Forces High Command Operations Staff has issued a directive to the Naval Staff, the Commanding General, Armed Forces, Southeast, and the General Armed Forces Office, with copies to the Deputy for Labor and to the Foreign Office, demanding that the production of subchasers in the shipyards of Salamis, Skaramanga, and Piraeus be increased by all possible means and that the Naval Staff arrange with the Commanding General, Armed Forces, Southeast for recruiting German specialists as well as Greek workers for this job. The Greek shipyard workers are to be allotted ration C.
- (2) Group South points out that there will be many excellent possibilities for maintaining schools and training courses in the German-occupied coastal area of the Black Sea after the cessation of military operations. Group South believes that the Navy should act soon to lay hands on these facilities. (See Telegram 1100.)

The Naval Staff Quartermaster Division will attend to this matter.

IX. Situation East Asia

The U.S. Navy Department reports that a U.S. submarine sank a Japanese cruiser or destroyer in the western Aleutians. According to an Exchange Telegraph report, a large Japanese convoy consisting of troop transports was located in the vicinity of the Solomon Islands.

X. Army Situation

1. Russian Front:

Army Group A:

At the Ruoff Army Group, Rumanian cavalry troops broke through the enemy position west of Kurchanskaya in westerly direction. Parts of the V Army Corps advancing south of the Kuban River repulsed enemy tank attacks after having seized Krimskaya and advanced further toward the west-southwest. Enemy rear guard attacks on the advance elements of the division advancing south and southeast of Krasnodar were repulsed. The western wing of the XLIN Mountain Corps is advancing southward in the Bolshaya Laba valley. Parts of the 1st Mountain Division are engaged in combat south of the Klukhor Pass in the Klydzh valley. The southern wing of the 1st Panzer Army has made a further advance. The 23rd Panzer Division established a bridgehead over the Ovana River near Maisky. The LII Army Corps is advancing in southeasterly direction as planned.

Army Group B:

In its eastward advance, the 24th Panzer Division reached the southern border of Lake Tsatsa and encountered a strong enemy force while advancing toward Tsatsa in northerly direction. The 14th Panzer Division is engaged in a battle on the heights northwest of Tsatsa. The 6th Army repulsed 10 enemy attacks on the bridgehead across the Don River northwest of Stalingrad. The enemy made various attempts to cross the Don River between Kremenskaya and Verkhni Manon; in most of the instances the crossing was prevented. Concentrations of enemy tanks extending up to 30 km. in depth were observed east and north of Voronezh and southeast of Yelets.

Central Army Group:

The battle for the Zhizdra position is extremely difficult due to the presence of natural and artificial obstacles. Enemy attacks against the 3rd Panzer Army, particularly at the southeastern edge of the penetration east of Sychevka and north of Rzhev, continued unabated.

Northern Army Group:

The enemy also persisted in his attempts to break through the land bridge southeast of Staraya Russa. His attempt to widen the breach at the northeastern front of Demyansk failed. Our troops attacked enemy assembly positions east of the Volkhov River and south of Soltsy.

2. Finnish Front:

Local fighting was reported.

3. North Africa:

No noteworthy reports have been received.

4. France:

For an account of the enemy landing at Dieppe see Situation West Area. For further military details see daily situation report.

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Items of Political Importance

Great Britain:

According to foreign correspondents reporting from London, the news about the landing at Dieppe was received rather calmly in Britain. It seems that the people believe the semi-official statements about the limited scope of the operation and its alleged psychological effect on the enemy. Most neutral newspapers, on the other hand, are unable to find any plausible explanation for the purposes and object of an undertaking which, after all, entailed quite heavy losses.

India:

The Moslem League has now also come forward with a statement disputing the claims of the Congress Party and calling on the British to recognize immediately and guarantee the Moslems' right of self-determination, and to pledge acceptance of the Pakistan statute. It is understandable that in view of this situation the Government does not intend to give in. This is also why the Viceroy's reply to Gandhi's letter in which Gandhi wanted to explain once again his views about the Congress Party resolution was cool and negative.

Argentina:

According to the German News Agency (DNB), the majority of the Argentine newspapers condemn the sinking of Brazilian vessels. It is pointed out that a change in Brazil's political situation with relation to the Axis powers will not fail to affect the attitude of Argentina.

Brazil:

In view of the sinking of 5 Brazilian vessels, political circles in Washington expect Brazil to enter the war in the near future, calling attention to the fact that Brazil's participation in World War I was provoked by similar circumstances. Brazil's attitude is similar to that of the U.S.A. before her entry into the present war, when American planes were already under orders to attack Axis submarines in American waters. Similarly Brazilian planes participated in the recent sinking of the 2 German submarines, and a report from Rio de Janeiro has just brought the news that a third submarine was sunk by Brazilian forces off Bahia.

All German citizens have been forbidden to leave Brazil so that they can be held as hostages for the 25 Brazilians interned in Compiegne.

The Brazilian Foreign Minister is trying to bring about a joint declaration of all American countries against the ship sinkings.

Chile:

Reuter reports that the Chilean Government has issued a note to the German Government, protesting against the sinking of the 5 Brazilian ships and stating that such an action against a country with which Chile maintains friendly relations is felt as directed also against Chile herself.

Peru:

The Peruvian Foreign Ministry has communicated to the Brazilian Government its indignation about the submarine attacks on Brazilian ships.

Special Items

The Naval Representative on the Armed Forces High Command Operations Staff has transmitted the report of the General of the Engineers and Fortifications, Army High Command on the conference with the Fuehrer on 13 Aug. concerning the Atlantic Wall. The report (1/Skl I a 20644/42 Gkdos.) has been placed at the disposal of the Chief, Naval Staff Quartermaster Division; the Chief of the Fleet Branch, Naval Staff Quartermaster Division; and the Chief, Naval Ordnance Division. Another copy is in War Diary, Part C, Vol. X. (Compare the report by the Deputy Chief, Naval Staff Quartermaster Division on this subject at the Conference on the Situation with the Chief, Naval Staff on 17 Aug. in War Diary 17 Aug.)

On 16 Aug. the Armed Forces High Command Operations Staff accordingly issued a directive for the development of the Channel coast and Atlantic coast defenses. According to this directive, every effort and means are to be used to strengthen these coastal defenses on the pattern of the Westwall to such an extent that by the spring of 1943 any attack from the air, sea, or land would appear hopeless. First of all, the submarine bases and harbors with their facilities for a large-scale enemy landing must be protected by a compact belt of defenses extending far enough in width and depth to make sure that the submarine pens will not be destroyed or the harbors seized.

The Commander in Chief, West is to submit immediately the final plans for the main line of defense in the harbor areas and a detailed plan for the construction of the required 15,000 fortifications.

On 21 Aug. the Naval Staff Quartermaster Division issued directives to the naval offices concerned.

Situation 21 Aug. 1942

I. War in Foreign Waters:

1. Enemy Situation:

South Atlantic:

The radio decoding and intercept service intercepted a large portion of an instruction of 14 Aug. issued by the British communication officer at Cape Town to ships en route in either direction between

(1) the British Isles and Africa

For the routing of the ship traffic from the Cape of Good Hope to North America and vice versa see War Diary 17 Aug. Both routings indicate that the central area of the South Atlantic is being avoided and that only fast convoys with strong escort pass through this area at the present time.

2. Own Situation:

The directive to the CHARLOTTE SCHLIEMANN concerning the delivery of fuel oil to the auxiliary cruisers "28" and "23", along with corresponding sailing orders (see War Diary 20 Aug.), were sent via Radiogram 0533. The Naval Attache, Tokyo reports about the cordial reception of the DOGGERBANK by the Japanese Navy in Batavia, where she stayed 4 days. Numerous troop transports loaded to capacity arrive in Batavia every day, allegedly for the invasion of Australia.

Information about the enemy situation was sent out via Radiograms 0222 and 1357. The German Armistice Commission, France transmitted the estimated positions of the French steamers ILE DE QUESSANT, ILE DE NOIRMOUTIER, ILE DE RE, ALDEBARAN, and DUC D'AUMALE as of 20 Aug. at 2400 via Radiogram 1120.

The German Naval Command, Italy announced that the Italian tankers ARCOLA and TAIGETE will leave Freetown for Curacao on 21 Aug. The timetable was also given. (See Telegram 1640.)

It is rather strange that the two tankers should be forced to carry fuel oil for the British for the third time as compensation for the fuel oil allocated by the British by agreement for the Italian ships carrying repatriates from East Africa. Unfortunately, the Italian Navy has so far neglected to answer any of the German inquiries in this connection. The matter should certainly be investigated.

II. Situation West Area

1. Enemy Situation:

According to the report of the Naval Attache in Lisbon

of 18 Aug., the Portuguese steamer PESCADORE, which left Vianna do Castello for Bilbao on 11 Aug., seems to have been seized by the British together with her entire cargo and brought into Gibraltar.

2. Own Situation:

Atlantic Coast:

The Gironde estuary has been temporarily closed to shipping because it is suspected that there are aerial mines in these waters.

Group West informed the WESERLAND via Radiogram 1021 that 3 mine sweepers of the new type are en route to meet her at the edge of the Spanish territorial waters and that they will presumably be at 4° W at 1830. Close air escort and fighter operations have been ordered by the Air Commander, Atlantic Coast.

Group West has transmitted'a report from the UCKERMARK. From 1600 on 19 Aug. to 0300 on 20 Aug. the ship was shadowed alternately by Liberator, Sunderland, Whitley, and Wellington planes, and was attacked with 42 bombs. Contact was maintained until 0400. The ship is leaking oil slightly and is slightly damaged. 3 men were wounded.

From this experience the Group Command concludes that only a continued strong escort up to at least 180 W will protect the blockade runners. A telegram to this effect was sent to the Naval Staff, with copies to the 3rd Air Force and the Air Commander, Atlantic Coast. (See Telegram 1035.)

Group West intends to let torpedo boat T "4", which is not fully ready for combat, participate in the scheduled operations. (See Telegram 1200.)

Channel Coast:

3 vessels of the 5th PT Boat Flotilla have transferred from Le Havre to Cherbourg.

Enemy Landing at Dieppe on 19 Aug.:

- (1) According to a report of the "Combined Headquarters" about the "Commando Raid" at Dieppe, strong military forces were brought over by warships and transports and entered the waters off the French coast at the designated points at 0450. Then, at the stipulated time, they landed at 6 points on the shore. Planes protected the landings and returned later to protect the ships. The objectives of the operation were:
- a. To probe the defense lines of the coast area by launching an attack on a larger scale than any of the previous ones.
- b. To destroy German batteries and a radio station which played an important part in the German attacks on our convoys in the Channel.

- c. To take prisoners in order to obtain vital information.
- d. To inflict damage on German troops and their equipment. Above all, the attack was to serve reconnaissance purposes essential to our offensive operations. In the course of the attack it became clear that the enemy had shortly before reinforced his troops and guns in the region of Dieppe. Despite fierce resistance, our commandos were able to land on the beach with several tanks. They succeeded in destroying 2 batteries and a radio station, as well as in sinking 2 small vessels and taking a number of prisoners. Enemy troops suffered heavy casualties.

Our troops, consisting predominantly of Canadians, held out on the coast from dawn for almost 9 hours. Then they were re-embarked on the warships which had supported their operations with gunfire. Before withdrawing, our troops blew up and destroyed the tanks which had landed and some of which had succeeded in breaking into the town.

Although originally our Air Force units were only assigned to support the landing operations, one of the greatest air battles of this war developed over this sector. The Germans were forced to bring up plane reinforcements from all parts of occupied France, from Holland, and from Belgium. Our fliers engaged some of these forces even before they were able to reach the combat zone. Strong formations were dispersed over the Somme estuary. 91 German planes were officially reported destroyed in combat, and approximately twice as many were probably destroyed or damaged. We lost 98 planes in these operations; 30 of the pilots were rescued.

All through the battle, our fleet forces were exposed to furious air attacks and heavy gunfire from the shore. Despite this fact, our losses were light and comprised only a number of landing vessels. The destroyer BERKELEY, however, was so badly damaged that she had to be scuttled. The majority of the crew was rescued. Prior to the landing operations we happened to encounter the escort vessels of an enemy convoy. In this encounter 1 armed German transport was sunk and another set on fire. This engagement delayed the landing of the unit involved by 20 minutes.

Due to the heavy fighting which developed during the operation, our casualties are high but by no means excessive if compared with the scope and importance of the operation. Our ships left the coast only after taking aboard all the troops who were able to return.

The naval forces, which included a Polish destroyer and Free French forces, were under the command of Captain J. L. Hallet.

The report goes on enumerating the participating ground and air forces.

Reuter reports that the troops returning from Dieppe were put ashore in a south coast port on the morning of 20 Aug. Most of them were wounded, many had some captured German equipment. They brought with them a number of German prisoners, including quite a number of officers.

(2) Group West reported the following supplementary information:

In addition to the subchaser which was sunk, the coastal auxiliary sailing vessel FRANZ was also sunk, probably by gunfire. The took to a lifeboat and landed near Le Treport. As soon as the engagement began, the radiotelegraphic equipment stopped functioning on all 3 escort vessels, and it was therefore impossible to send off a "most urgent" (KR) message. However, the battle was observed from the shore and, due to this fact, the coast was alerted. At 0510 the Naval Communications Officer, Le Havre radioed as follows: "3 miles off Dieppe surface forces attacking convoy." Group West informed Army Group D and the 3rd Air Force by telephone that this was presumably one of the usual attacks on our convoys. At 0535 the 3 barbor patrol vessels posted off Dieppe were attacked. 0535 the 3 harbor patrol vessels posted off Dieppe were attacked. Thereupon the Naval Signal Station at Dieppe fired a signal to alert the coast. Later the vessels entered port without having suffered losses. In the night of 19 Aug. one PT boat group combed the coastal waters from Boulogne westward and another from Cherbourg eastward. All they picked up was one Polish pilot. The radar service failed to produce any information about the enemy forces prior to the report about the naval engagement off Dieppe. The equipment under construction at Point d'Ailly is not yet ready for use. Following the firing of the alarm which warned the coast, the main naval forces were sent into action as Combat Group 2 under the command of Lt. Goebel of the Naval Coastal Artillery (killed in action). Parts of the combat group were encircled in their defense positions and trenches in front of the fortifications, and fought the enemy tanks which had been brought ashore with small arms and hand grenades. Another combat group fought at the signal station. behavior of the combat groups was exemplary: the men remained calm and determined. The signal station made an outstanding contribution to our operation and to the repulsion of the enemy by sending clear and important messages which proved essential in obtaining a clear picture of the over-all situation. Led by port commander Wehn, the participating naval units set an example in holding their positions within the closest range of the enemy forces against far superior forces. None of the enemy vessels succeeded in penetrating into the Dieppe harbor. The harbor barrages are intact. The naval units ashore lost 28 men killed, 25 wounded, and 2 missing.

For copy of the detailed report see 1/Skl 20638/42 Gkdos. in File "Enemy Landing at Dieppe 19 Aug.". Copies were sent simultaneously to the Fuehrer Headquarters, the Naval Representative on the Armed Forces High Command Operations Staff, the Naval Liaison Officer to the Commander in Chief, Air Force, the Naval Liaison Officer to the Army High Command, and to all the higher Navy commands.

Furthermore, Group West reported the following fact which is essential to the estimate of the enemy situation and of the entire operation: The position and course of the 26 steamer convoy located off Portsmouth which seemed to be standing by with further strong landing forces aboard corresponded to those of a scheduled westbound Channel convoy previously located by radio intelligence and radar service. Later, the convoy proceeded to Portsmouth. Group West is of the opinion that it is still an open question whether there is any connection between this convoy and the landing at Dieppe. The Commanding Admiral, Submarines had ordered 3 outbound submarines to head for the western outlet of the Channel.

because it was expected that a large enemy transport fleet would be at sea, and a large-scale landing attempt would be made at some other point. The possibility of assigning further submarines in the harbor was under consideration. However, the orders to the submarines were revoked as soon as it became known that the convoy was entering Portsmouth and, approximately at the same time, it became apparent that the situation at Dieppe was under control.

(3) Lt. Comdr. Dr. Krantz has reported the results obtained so far from the questioning of enemy naval personnel involved in the landing attempt at Dieppe on 19 Aug. by the naval interrogation officer at headquarters of the 302nd Infantry Division in Envermeur. For copy of the telegram see 1/8kl 28568/42 geh. in File "Enemy Landing at Dieppe on 19 Aug. 1942".

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

No noteworthy incidents occurred.

Own Situation:

In the night of 20 Aug. enemy planes were active over the Dutch area and the German Bight. Aerial mines are assumed to have been dropped in quadrants AN 8332 and 8336.

l mine was swept by a mine sweeper off Borkum. 2 mine-sweeping planes removed 1 mine off Borkum and 1 off Wangeroog.

Convoy operations proceeded as planned.

2. Norway, Arctic Ocean:

Enemy Situation:

Radio intelligence intercepted a message from an unidentified station to the Arctic Ocean Command stating that tanker no. 14 is badly damaged and in need of tug assistance.

Own Situation:

On 20 Aug. the Russian battery on the Rybachi Peninsula fired 130 rounds on our eastbound convoy without scoring any hits. Russian and British planes were observed carrying out reconnaissance missions off the Arctic Coast. Convoy operations in the area of the Commanding Admiral, Norway proceeded according to plan.

The Commanding Admiral, Norway has transmitted a report from the Naval Shore Commander, Kirkenes about the progress of the construction of a cruiser berth with an anti-torpedo net in the Kjoe Fjord. According to this report, the berth is already available and the net is ready but has not been laid because the Air Force considers

it unnecessary in view of the existing georgraphical conditions. An alternate berth in Renoe Sound is likewise ready for use. (See Telegram 1530.)

In view of the fact that the steamers GEORG L. M. RUSS and BOLTENHAGEN were torpedoed in the Kristiansand South-Stavanger area, the Commanding Admiral, Norway suggests that 5 single-row anti-submarine minefields be laid in order to protect the convoy route in that area. For copy of the proposal see 1/Sk1 20636/43 Gkdos. in War Diary, Part C, Vol. IIa.

The Naval Staff has transmitted its final conclusions concerning convoy PQ 18 to the Naval Representative on the Armed Forces High Command Operations Staff, the Naval Representative on the Air Force Operations Staff, and the Naval Liaison Officer at the Army High Command, with copy to Group North. For copy of the telegram see 1/Skl I op 20564/42 Gkdos. in File "Eispalast".

The Naval Staff has approved Group North's plan to have the "Knospe" expedition brought in by a submarine stationed in the Spitsbergen area or, if ice conditions make this impossible, to assign the weather ship COBURG to this mission. The Naval Staff directs Group North to have the COBURG lay the automatic weather reporting gear regardless of whether the "Knospe" excedition can be brought in by a submarine or not. (See Telegram 1717.)

In connection with operation "Wunderland", the Navel Staff has received a new version of the operations order by the Admiral, Arctic Ocean, containing the following changes in the previous order issued only in the form of a telegram (see War Diary, 15 Aug.):

The task is to attack ship traffic in the Kara Sea. The main objectives of the attacks are convoys, preferably those coming from the east.

Participating forces: the SCHEER and presumably 2 submarines in the Kara Sea. Operations by other submarines, loosely connected with operation "Wunderland", are planned off the Matochkin Shar, the Kara Strait, and the Yugor Strait.

Strategic command: Admiral, Arctic Ocean.

Tactical command: the captain of the SCHEER. The submarines will be under the exclusive command of the Admiral, Arctic Ocean. The jump-off base will be in the Narvik area.

The surprise factor is decisive for the success of the operation. Strictest radio silence should be maintained and the ship must keep out of sight. Whether and to what extent the task can be carried out will depend on the situation and will be determined by the commander. No inflexible orders are being issued, with the single exception that only justifiable risks should be taken. (Same restrictions as for operation "Roesselsprung".) As soon as she is noticed by the enemy, the ship must turn away.

For execution and details see operations order in 1/Skl 1629/42 Gkdos. Chefs. in File "Wunderland".

Situation concerning operation "Wunderland" as of 21 Aug.:

No report has been received from the cruiser SCHEER. Submarine U "453" entered the Ice Fjord according to orders and found all the coal mines in that area as well as the radio towers in the Groen Fjord destroyed. The submarine destroyed the Linne radio station by gunfire. She considers it unlikely that any merchant or passenger steamers would approach the Ice Fjord.

Submarine U "589" departed on her mission off the Matochkin Shar. She is to meet submarine U "456".

Submarine U "251" is operating together with the SCHEER. She sighted a PT boat type subchaser at the fog boundary in quadrant AF 9783.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

No noteworthy reports have been received.

2. Own Situation:

The routes in the entrances and the western part of the Baltic Sea were temporarily closed because of the possible presence of aerial mines in these waters. 4 of the enemy planes which penetrated into the Reich on the night of 20 Aug. were shot down by naval anti-aircraft artillery in the area of Eckernfoerde and the Kiel Bay. The incursions reached as far as the East Prussian coast. A total of 6 British aerial mines were salvaged in the Ploener See and off Bordesholm, as well as in the vicinity of Aarhus. Shipping on the lakes has been banned. 1 British aerial mine probably exploded in the Strande Bay.

The German motor ship HINRICH (90 GRT) sank with her entire crew in the Little Belt as a result of a mine hit.

In order to counteract as far as possible the paralyzing effect of the frequent closing of the routes east of Swinemuende on merchant shipping, the Naval Station, Baltic Sea suggested that 24 lighters or luggers from Holland or Hamburg be recruited to help speed up the clearing of the mined routes. The Naval Staff Quartermaster Division will take care of the matter.

The LUETZOW reported that she is not ready for operations due to shippard repairs.

In the Gulf of Finland, a motor boat of the Coastal Patrol Flotilla Russia went down in flames caused by a misfire. Fog prevented the laying of minefield "Seehund II". Mine-sweeping and convoy operations in the area of the Commander, Mine Sweepers, Baltic Sea proceeded according to plan without incidents.

Referring to the impending operation "Nordlicht", Group North renewed its request for authorization of the transfer of at least several vessels of the 6th PT Boat Flotilla to the Gulf of Finland. The Naval Staff refused the request because the extremely critical situation in the west area requires the services of the flotilla

there. The Naval Staff does not consider it very likely that the Russian fleet in the Baltic Sea will try to break out when operation "Nordlicht" gets under way. On the contrary, previous experience leads the Naval Staff to believe that the Russians will use the arms and crews from their ships to support the fighting on land. For this reason, the Naval Staff does not consider it justified to withdraw any of the forces so badly needed in the west area for an assignment where they may not be needed and prefers to risk the disadvantage of having to send some of the forces later for brief operations against a Russian breakthrough attempt.

V. Merchant Shipping

In its Brief Report No. 26/42, the Naval Intelligence Division, Foreign Merchant Marine Branch supplies information on ore shipping in Lulea, ship traffic in the Strait of Gibraltar and the number of ships in the harbor, the arming of U.S. merchant vessels, the building of wooden ships in the U.S.A., etc.

VI. Submarine Warfare

1. Enemy Situation:

Messages indicating lively reconnaissance activity in the northern rendezvous area and around Iceland were intercepted, one of them from a plane reporting a depth charge attack on a submarine 225 miles southeast of Reykjavik.

Submarine sighting reports were intercepted from the St. Lawrence River, where there are no German submarines, northeast of Long Island, in the Cape Hatteras area, in the Florida Strait, and in the Windward Passage. A message from Freetown reported a submarine at 28° 50' S, 48° 53' W.

2. Own Situation:

For submarine operations in the Arctic Ocean see Situation Arctic Ocean.

The NORTHUMBERLAND sunk by submarine U "510" (see War Diary 19 Aug.) was the 11,558 GRT tanker of this name. This means an additional 10,300 GRT to this submarine's credit. No further successes were reported today. For other reports see supplement to the submarine situation in War Diary, Part B, Vol. IV.

The Commanding Admiral, Submarines reported that an attack by enemy planes broke up the successful operation of the submarine group "Bluecher" as soon as the convoy came within the range of the planes. 4 of the 7 submarines participating in the operation were damaged by bombs, 1 of them heavily. Increased enemy air activity over the North Atlantic extending as far as 25° W, together with

the enemy's excellent location system, have made submarine warfare extremely difficult, with the result that even if the strength of the enemy air forces remains at its present level, the number of our submarine successes is bound to decrease considerably, while our losses will be heavy. This will reduce the chances of our submarine offensive. In order to keep up these successes, the Commanding Admiral, Submarines once again requests the immediate assignment of the most suitable planes to the Bay of Biscay and the eastern Atlantic; as far as range and fighting power are concerned, only He 177's would be suited for the task. (See Telegram 2040.)

The Chief, Naval Staff will personally inform the Fuehrer about this situation when delivering his report on 26 Aug. The Naval Staff is keeping the Air Force Operations Staff informed on the matter.

In view of the fact that the blockade runners have re-entered port, the Naval Staff authorizes submarines to attack enemy ships on route "Anton" north of 20° N beginning at 0000 on 32 Aug. until further notice. A directive to this effect was sent to the Commanding Admiral, Submarines and Group West via Telegram 1718.

VII. Aerial Warfare

1. British Isles and Vicinity:

During the day our planes flew reconnaissance missions and carried out a fighter-bomber attack on Hythe. No missions were flown at night.

2. Mediterranean Theater:

Reconnaissance over the western Mediterranean failed to yield any results.

In the vicinity of Corfu, a German escort plane scored a bomb hit on an enemy submarine operating against an Italian tanker which had been torpeded by a plane. The submarine sank after a heavy explosion. A destroyer escorting a convoy shot down 2 planes. During the photographic reconnaissance of Haifa, Suez, etc., very strong anti-aircraft fire was observed reaching an altitude of 11,500 meters, and a Spitfire was seen flying at an altitude of 12,000 meters.

3. Eastern Front:

Reconnaissance planes were active over the Black Sea, the Volga River, and the Arctic Ocean. The Murmashi airfield was raided with observed effect. 14 enemy planes were shot down. 1 500-ton steamer was sunk in Eina Bay.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

No further reports have been received about the force which departed from Gibraltar in the night of 19 Aug. The German Naval Command, Italy does not think that a new British operation is in progress at present. At noon an Italian plane sighted 1 destroyer and 3 torpedo boats on a northeasterly course off the northwest coast of Mallorca. According to an intelligence report from Spain, a force consisting of 8 vessels and a large ship looking like an escort vessel were sighted on an easterly course off Cape de Gata on the night of 20 Aug. However, visibility was poor.

Submarines were reported sighted off Capri, in the Strait of Otranto, off Corfu, and off the northwestern tip of Crete. The ships in Valletta had been increased by 2 submarines. No reports have been received about the eastern Mediterranean.

2. Own Situation, Mediterranean:

The German Armistice Commission, France reports that the French have alerted Marseille and Toulon because of the departure of the British fleet from Gibraltar reported the day before. The increased readiness ordered for the 3rd PT Boat Flotilla in Suda was cancelled.

In the night of 20 Aug. enemy planes unsuccessfully attacked the convoy of the steamer DORA and the tanker POZARICA off Cape Stilo. Our escort planes shot down 6 of the attackers. During renewed air attacks at 1630 on 21 Aug. directly south of Corfu an aerial torpedo hit the tanker POZARICA. The ship is being towed into Corfu. One of our planes is reported to have sunk an enemy submarine on that occasion.

3. Transport of Supplies to North Africa:

During the day enemy planes repeatedly attacked the convoy of the SPORTIVO en route from Tobruk to Suda without scoring a hit. Transport of supplies from Italy and Greece to North Africa and along the North African coast proceeded according to plan.

On 19 Aug. 770 tons were unloaded in Tobruk.

1 landing barge burned up during the bomber raid in the night of 19 Aug.

4. Area Naval Group South:

Aegean Sea:

No noteworthy incidents occurred.

Black Sea:

Enemy Situation:

Air reconnaissance reported that 3 steamers and 15 boats were in Novorossisk early in the morning. 3 small warships entered

and 1 PT boat left the port. On the Volga River 1 tanker and 17 tows were observed sailing up the river, while 9 tows were moving downstream.

Own Situation:

On the evening of 20 Aug. 4 Italian subchasers departed from Feodosiya in order to feint a landing on the southern coast of the Taman Peninsula.

In the night of 20 Aug. the 1st PT Boat Flotilla failed to encounter any ships moving south of Tuapse. The PT boats re-entered Ivanbaba after an exchange of fire with 2 Russian flying boats.

It was confirmed that the harbor of Akhtari can not be considered for the transport of supplies by sea even if small vessels are used.

Special Items:

(1) In order to carry out the convoy and transport operations in the Caspian Sea, Group South suggests that in addition to the transfer of Italian subchasers and submarines, as well as of 20 motor boats from the Sea of Azov, scheduled for the first half of the coming winter, at least 20 landing barges be built right in the Caspian Sea area. Moreover, the number of the Siebel ferries which the Army is supposed to hand over to the Navy should be increased to 20, and the new ferries should likewise be built on the spot, if the engine problem can be solved. Furthermore, the Group proposes that a naval supply depot in Makhach Kala be established to meet any eventuality. (See Telegram 1200.)

The Naval Staff Quartermaster Division will take up the matter.

(2) In view of the shortage of available naval vessels, Group South again asked for authorization to keep 2 of the stipulated 4 reserve boats of the 1st PT Boat Flotilla on permanent duty and for assignment of the additional crews required for manning these 2 PT boats. (See Telegram 1800.)

IX. Situation East Asia

No noteworthy reports have been received.

X. Army Situation

1. Russian Front:

Army Group A:

Enemy resistance against the Army Group units which are advancing according to plan has on the whole stiffened, and the speed of our advance has been slowed down.

Army Group B:

The right wing of Army Group B is slowly pressing from the south and southeast against the area south of Stalingrad in the face of strong enemy resistance. The northern pincers pushed ahead toward the southeast as far as Poskovatka. On the other sectors of the front our troops repulsed all enemy attempts to cross the Don River. The situation on the sector of an Italian division at the point where the Khoper River flows into the Don is unclarified.

Central Army Group:

Fighting continues in the area south of Sukhinichi. Our troops broke through the western wing of the enemy forces on the Zhizdra River. East of Rzhev, the enemy is pressing hard against our forces, some of which had to be withdrawn behind the Volga River. Otherwise all enemy attacks were repulsed.

Northern Army Group:

All attacks against the land bridge to the II Army Corps were beaten off. Elsewhere the enemy made some local advances which are of no special significance.

2. Finnish Front:

No noteworthy incidents occurred.

3. North Africa:

German and Italian engineers laid 144,000 mines in the Alamein position.

Items of Political Importance

The Moscow conferences continue to be discussed at great length in the international press. Among the numerous conjectures, the one offered by a Swedish paper comes nearest the truth in concluding that Churchill could have spared himself the trip if the Allies were determined to open the second front now. If, on the other hand, Churchill succeeded in strengthening Russia's determination to resist despite the absence of a second front, as all the signs indicate, then his trip was of greatest value for the Allied cause. It is frequently pointed out that the mere fact that Churchill, who is now seventy, went to Moscow clearly demonstrates the extreme seriousness of the situation.

Concerning the shipping problem,

Lord Winston declared in a speech that Britain's ship tonnage situation is disastrous. Not before the British regain their naval supremacy, will the land warfare produce any noteworthy successes. Unless they are able to do so, they will continue to suffer one defeat after another.

Iran:

The Transocean News Agency reports that for the first time U.S. troops, which landed in Basra, were garrisoned on Iranian territory. According to the same source, the Russian Government attempted to negotiate the transfer of Iranian vessels stationed in the Caspian Sea to Russian ownership.

Brazil:

According to a press report from Rio de Janeiro, Brazil is apparently beginning to prepare for active participation in the war.

Special Items:

The Naval Staff had asked the Naval Ordnance Division, War Economy Branch to find out whether Ukrainian ore could under the present circumstances be used to offset any interruptions in Swedish ore imports. On the basis of information received from the Minister for the Occupied Eastern Territories, the Eastern Mining Corporation (Berg-und Huettenwerksgesellschaft Ost m. b. H.) and the Armed Forces High Command, War Economy Division, Foreign Economics Branch, the Naval Ordnance Division, War Economy Branch stated that it will be absolutely impossible to dispense with the Swedish ore shipments within the foreseeable future.

Situation 22 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

The convoy heading for the British Isles which was sighted

off the Portuguese coast on 11 Aug. was escorted by 1 ship of the ILLUSTRIOUS class, 1 heavy cruiser, and 1 light cruiser. On 30 and 31 Jul. a large convoy arrived from the U.S.A. in Northern Ireland. According to an agent report, there are at present no U.S. battleships in Europe. However, a U.S. naval officer said that the NEVADA will arrive in the British Isles with the next troop convoy. One particularly large convoy was expected to depart from Sierra Leone to England between 18 and 20 Aug.

The Consulate in Lourenco Marques reports that during the last few days 2 convoys carrying troops and planes for Australia passed through Cape Town. On 8 Aug. a U.S. convoy of 6 ships carrying planes for Egypt passed through Lourenco Marques. Japanese submarines recently sank 1 Greek and 2 British steamers in the Mozambique Strait.

2. Own Situation:

The steamer DRESDEN departed from Yokohama to Saigon where she will take on cargo for Europe.

All vessels in foreign waters were notified via Radiogram 2022 that, starting immediately, submarines are permitted to fire on unescorted and unaccompanied vessels between 0 and 10 S west of 20 W. Upon inquiry, the Naval Attache in Tokyo is being informed that the mines and torpedoes left on the DOGGERBANK, which are to be brought back to Europe when the ship returns, may be shown to the Japanese Navy. (See Telegram 0330.)

II. Situation West Area

1. Enemy Situation:

Air reconnaissance reported 40 to 50 landing boats and 1 British warship off Selcombe. At noon 20 steamers and 1 destroyer were sighted on an easterly course east of Start Point.

2. Own Situation:

Atlantic Coast:

While sweeping a mine off St. Nazaire, the mine-detonating vessel "137" was badly damaged.

The blockade-runner WESERLAND returned without an incident and anchored at Bordeaux.

Channel Coast:

On 21 Aug. 1 three-engine tank landing craft and 2 two-engine infantry landing craft were salvaged and towed into Dieppe.

In the night of 20 Aug. naval anti-aircraft guns shot down a four-engine enemy plane.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance reported the usual convoy movements along the southeastern and eastern coasts. There was little reconnaissance activity over the entire North Sea area.

Own Situation:

Mine-sweeping planes and motor mine sweepers removed a total of 5 ground mines off Borkum, 2 off Terschelling, 2 off Schiermonnikoog, and 2 off the Elbe estuary. Mine operation "Eleanor" was carried out according to plan. Operation "Fuenfte Kolonne" is scheduled for 23 Aug.

In the area of the Coastal Defense Commander, German Bight enemy balloons appeared for the first time which dropped phosphorus-filled rubber cylinders.

2. Norway, Arctic Ocean:

Enemy Situation:

According to radio decoding of the British Admiralty report of 31 May, out of the 34 ships constituting the PQ convoy, 7 or a total of 43,205 GRT, were sunk, 6 of them by planes and 1 by a submarine.

The last convoy attacked prior to that date was the PQ 16. The successes reported by our Air Force far exceeded this total. (See War Diary 26 May and the following days.) On the other hand, the successes scored by our forces against convoy PQ 15 coincide more or less with these Admiralty figures. (See War Diary 4 May.)

According to an intelligence report from Iceland of 15 Aug., a convoy consisting of 11 to 12 loaded and armed ships arrived in Reykjavik on 14 Aug. U.S. soldiers are frequently used as stevedores, replacing the Icelandic workers who are on strike. Air reconnaissance located a northbound convoy consisting of 24 ships in the Aberdeen area. About 10 coastal vessels were proceeding on a westerly course in the Motovski Bay between the Litsa and Ura Bays. Pack-ice was spotted in the Horn Sound, while the Bell Sound and the Ice Fjord were free of ice, and isolated drift-ice fields were observed off the west coast of Spitsbergen.

Own Situation:

On 21 Aug. at noon 2 Russian planes strafed and unsuccessfully tried to torpedo subchaser "1103" off Svaerholt. No other incidents were reported from the area of the Commanding Admiral, Norway.

The Admiral, Arctic Ocean reports that operation "Wunderland" is proceeding according to plan. On 18 Aug. at 0130 the cruiser SCHEER eluded an unaccompanied ship at 77° N, 35° E. It is not known whether the message to this effect was issued by the SCHEER or by a submarine. The short signal also failed to make clear whether the ship noticed the SCHEER or not. Group North remarks that the message was issued very late, but it does not expect any adverse effect on the execution of the operation.

Acting on the request of the Admiral, Arctic Ocean, Group North has given permission for mine operations "Peter" and "Paul" to be carried out.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

During the afternoon 3 destroyers were located in the Kronstadt roadstead.

Small auxiliary vessels were observed moving within the island area in the eastern part of the Gulf of Finland.

2. Own Situation:

No incidents of importance occurred in the area of the Commanding Admiral, Defenses, Baltic Sea. According to a report of the Naval Attache in Stockholm, the Swedish Government has announced that a certain area has been mined and issued a warning to the ships. For details see Telegram 1817.

Following an encounter with 7 enemy patrol vessels and 2 PT boats, operation "Seehund II" in the area of the Commander, Mine Sweepers, Baltic Sea had to be broken off.

On 21 and 22 Aug. enemy dive bombers attacked our subchaser groups west of the "Seeigel" minefield. 2 of the boats suffered casualties.

Mine-sweeping and convoy operations proceeded according to plan without incidents.

V. Submarine Warfare

1. Enemy Situation:

According to an intelligence report from England, a reliable agent maintains that repeated or continued submarine attacks on convoys proceeding to England via the Atlantic Ocean will immediately result in further precautionary cuts in the British food rations and a

shortage of raw materials which will lead, in turn, to a drop in production. Shipping circles are very much concerned about the recent submarine attacks on England-bound ships in the Atlantic Ocean, since these attacks make it difficult or even impossible to pull out a considerable number of medium and small-sized ships and to keep them ready in the southern ports of England, for which preliminary arrangements were already made. This reserve, which is in fact an assembly of transports for the second front, will have to be broken up if the attacks in the North Atlantic continue.

2. Own Situation:

Submarine U "354" has been sent to bring in the weather expedition "Knospe" from Cross Bay.

In the North Atlantic, submarine U "135" of the "Loss" group located a westbound convoy in quadrant AK 9693. All boats of the group were sent into action against the convoy.

The "Kirschbluete" left Lorient on 22 Aug. No successes have been reported from the submarine operations areas. In the Mediterranean, submarine U "565" was forced to turn back because of heavy bomb damage.

For further details see supplement to the submarine situation in War Diary Part B, Vol. IV.

3. Special Items:

- (1) The Naval Staff has released until further notice the area between 0° and 10° S extending in westerly direction as far as the coast for submarine operations. The eastern boundary lies, as before, at 20° W.
- (2) The declaration of war by Brazil has had an extremely unfavorable effect on Chile and Argentina. It is therefore quite possible that these countries will be forced to break off their relations with or to declare war on Germany. For this reason, the Commanding Admiral, Submarines has been directed to make sure that no incidents occur which would involve Argentine or Chilean vessels and that instructions to this effect be carefully observed. Submarine U "507" which is stationed off the Brazilian coast should be ordered to report on the circumstances under which the Brazilian ships were sunk.

VI. Aerial Warfare

1. British Isles and Vicinity:

During the day reconnaissance missions were carried out and landing vessels, as well as the town of Selcombe, were attacked by fighter-bombers. In the night of 22 Aug. a few planes raided

Great Yarmouth, Grimsby, and other localities, after failing to reach the main targets, namely, Cambridge and Boston. Enemy planes flew in small numbers over the occupied territories during the day and at night. No incursions were made into Reich territory.

2. Mediterranean Theater:

Convoy escort and reconnaissance missions were carried out over the Mediterranean. 4 planes were shot down.

3. Eastern Front:

2,141 missions were flown on 22 Aug. 122 enemy planes were shot down, 3 of our planes were lost, and 3 enemy planes were destroyed on the ground. Reconnaissance flights were carried out over the Caspian Sea. In the Arctic Ocean, the Valamovo airfield was again raided with observed effect.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

According to an intelligence report from Spain, the FIJI-class cruiser still at Gibraltar is the NIGERIA. The other FIJI-class cruiser which departed with the aircraft carrier force is said to be the KENYA. The carrier force has not been sighted in the Mediterranean, which seems to prove definitely that it left for the Atlantic.

Otherwise there was nothing to report.

2. Own Situation, Mediterranean:

arine escorted by a fighter 12 miles west of Lampione Island. The tanker POZARICA which had been damaged by an aerial torpedo hit on 21 Aug. was brought into the roadstead of Corfu where the tanker SAN ANDRES will take over her fuel supply. During the attack on the POZARICA, the escort vessels were strafed by enemy planes and suffered rather heavy casualties. Enemy submarines unsuccessfully attacked 1 Italian landing craft en route to Gaeta north of Ischia. The Italian torpedo boat CANTORE sank 7 miles off Ras el Tin as a result of a mine hit while escorting the steamer PETRARCA from Benghazi to Tobruk.

3. Transport of Supplies to North Africa:

Transport of supplies from Italy and Greece to North Africa proceeded as planned.

4. Area Naval Group South:

Aegean Sea:

On the evening of 21 Aug. enemy planes attacked the Castelli airfield. Convoy operations proceeded as planned.

Destroyer ZG "3" has been named HERMES.

Black Sea:

Enemy Situation:

Nothing to report.

Own Situation:

On 20 Aug. our artillery set afire the German 200-ton steamer which had run aground south of Cossa Chushka on 19 Aug., although the steamer gave recognition signals. During the feinted landing on the south coast of the Taman Peninsula, carried out with Italian subchasers in the night of 20 Aug., the Russians defended themselves by opening fire from land-based batteries and machine guns with the aid of searchlights. The subchasers re-entered Feodosiya without having suffered any losses.

The operation which 3 Italian subchasers were to carry out against enemy ship traffic off Novorossisk in the night of 21 Aug. had to be broken off because one of the boats was unable to participate.

The Rumanian submarine DELFINUL which departed for her first operation after a long repair period in the shipyard on 21 Aug. was forced to return to Constanta because of some technical failure.

On 20 and 21 Aug., the transport of supplies in the Sea of Azov from Mariupol and Taganrog to Azov was carried out with 2 landing craft, 7 Air Force Siebel ferries, a number of lighters, and 1 engineers pontoon. Since the mine-sweeping plane which was promised for 18 Aug. has not yet arrived in Mariupol, the port commander of Mariupol has assigned an Air Force Siebel ferry to sweep the routes. The route between Yeisk and Mariupol will be swept by 7 wooden boats.

Special Items:

(1) The Army General Staff sent the following telegram to Army Group A, with copies to the Admiral, Black Sea, the Naval Shore Commander, Ukraine, and the 4th Air Force:

"In support of measures taken by Army Group A, it is confirmed that according to the Fuehrer's decision Army Group A is to exercise exclusive control over the use of ship tonnage in the Sea of Azov and on the Don River for tactical as well as for supply tasks.

"It is essential to get shipping moving immediately, utilizing as much as possible of the tonnage available. The Navy is supposed to meet demands made in this connection to the limit of their ability."

Since the Air Force is not under the command of Army Group A in the Sea of Azov area, the problem of shipping tonnage for the requirements of the Air Force is still to be settled.

(2) The Naval Staff Operations Division is unable to support the request of Group South for allocation of reserve vessels to the 1st PT Boat Flotilla unless it is possible to make 2 more crews

available for the 6th PT Boat Flotilla without resorting to the flotillas operating in the Channel. The Fleet Branch of the Naval Staff Quartermaster Division and the Recruitment Division of the General Administration Bureau have been notified accordingly.

(3) Group South reports that in view of the heavy fighting at Stalingrad the IV Air Corps has been temporarily withdrawn from the Crimea. This means that operation "Bluecher" will have to be postponed for at least 5 days. It may even have to be delayed until early September.

VIII. Situation East Asia

According to a U.S. communique, American forces have carried out a raid on Makin Island north of the formerly British-owned Gilbert Islands, during which the Japanese seaplane base was destroyed along with 2 seaplanes, and 1 Japanese transport and 1 gunboat were sunk by U.S. fleet vessels. The Japanese Headquarters reports that a landing attempted by about 200 Americans on 17 Aug. was completely repulsed despite their numerical superiority.

According to Anglo-American press reports, U.S. forces in the Solomon Islands have completed the conquest of the islands Tulagi, Guadalcanal, and Florida. They also gained footholds on 3 more islands situated farther to the West. The Japanese are expected to counterattack. Further reports state that British and Indian troops penetrated into the Japanese-occupied territory of Burma and remained there for 3 weeks to destroy installations and to take prisoners.

IX. Army Situation

1. Russian Front:

Army Group A:

South of the Kuban River, the offensive of the V Army Corps divisions is slowly making headway in southwesterly direction toward Novorossisk. South of Maikop, our riflemen are engaged in a battle with enemy forces north of the Byeloryechensky Pass.

On 21 Aug. a mountain detachment hoisted the German war flag on the peak of the Elbrus Mountain. West of Maisky, the enemy made a heavy attack on our bridgehead over the Urvana River. Our forces have been assembled near Baksan and Edisia for an attack in southeasterly direction scheduled for 23 Aug. The LII Army Corps is advancing toward the southeast through a territory which for the time being is still free of enemy forces.

Army Group B:

The 6th Army is carrying out its flanking attack on Stalingrad against stiff enemy resistance. On the northern front of the Don position, our troops have to repulse repeated enemy attempts to cross the river.

Central Army Group:

The enemy has launched an offensive against the entire front of our attacking forces in the Sukhinichi area. Except for a few penetrations, the attack was repulsed. This puts an end to our attack plan in this area. Southeast and east of Rzhev, superior enemy troops forced us to yield the bridgehead over the Volga River, blow up the bridge, and withdraw our positions. Our situation is extremely critical.

Northern Army Group:

Local enemy attacks were reported.

2. Finnish Front:

No noteworthy reports have been received.

3. North Africa:

Air reconnaissance reported that the enemy forces were apparently being regrouped and that a new division has been brought up. Otherwise enemy reconnaissance was very active, artillery activity was as usual, and there was little air activity.

23 Aug. 1942 Sunday

Items of Political Importance

Brazil:

On 22 Aug. the Brazilian Foreign Ministry declared war on Germany and Italy.

No declaration of war on Japan has been issued by Brazil. According to British press and radio reports, the Foreign Minister of Uruguay stated that Uruguay will follow the example of Brazil.

In a note to the German and Italian governments, the Brazilian Foreign Minister summarized Brazil's attitude toward the Axis powers up to the present time in 9 points and pointed out the reasons which led to the declaration of war. According to this statement, the 5 recent sinkings by torpedo attacks constituted a flagrant violation of international law and of humanitarian principles and were warlike acts which were bound to result in a declaration of war. For a detailed report see Political Review No. 197, Paragraph 1.

Reuter reports that universal mobilization is impending in Brazil. The Brazilian fleet is said to be already at sea.

President Vargas said in a speech that in the future all Brazilian convoys will be protected by the Fleet and the Air Force in close cooperation with the U.S. Air Force.

Portugal:

The Transocean News Agency reports that Brazil's entry into the war has caused consternation in Lisbon. President Carmona has assured the President and the people of Brazil of his own and Portugal's brotherly feelings for that country on the occasion of Brazil's entry into the war.

Finland:

Minister Tanner stated in a speech that Finland will not accept any separate peace overtures. As a result of past disillusionment, the country has no longer any confidence in the peace offers which are being presented to it.

Great Britain:

Air Minister Sinclair declared that Britain will relentlessly carry on her air attacks on Germany. The Germans may again send their bombers against England when the weather changes in Russia. Dieppe was the scene of the heaviest fighting in the air that has ever occurred on any of the fronts. Within 24 hours far more than 3,000 single attacks were carried out. Britain is now faced with a new crisis.

The London Times expects a new German offensive in Egypt within the next few days. The German parachute troops which have been transferred from Crete to North Africa are expected to be employed in this operation.

India:

The Indian party "Hindu Mahsabha" has rejected the Pakistan plan.

U.S.A.:

Willkie is leaving for Turkey and the Near East. American press reports attribute to this trip a greater importance than to any similar mission of earlier special envoys of President Roosevelt. At the present moment everything hinges on the future of Russia. Should Russia fall, special attention must be devoted to Turkey so as to prevent the Germans from getting hold of the entire Middle East up to the Indian frontier and cutting the British Empire in two.

The Brazilian Ambassador in Washington declared that his Government will technically maintain its neutrality toward Japan.

Special Items:

At 1910 the Armed Forces High Command Operations Staff authorized the enforcement against Brazil and Uruguay of all war measures similar to those in force against the other enemy countries.

The Naval Staff informed Group West and the Commanding Admiral, Submarines of this step.

Nothing is known at the Naval Staff about a declaration of war by Uruguay. Evidently the Armed Forces High Command has more recent news about the matter.

Since the Navy might eventually be held responsible for Brazil's entry into the war, the Naval Staff wants to state the following facts:

- 1. Foreseeing that the unintentional sinking of neutral South American ships due to their inadequate marking must result in political difficulties and, eventually, cause more countries to enter the war, the Naval Staff suggested to the Foreign Office on 10 Jan. 1942 that notes be sent to the neutral seafaring nations stating that the present expansion of the war has prompted the Reich Government to ask the respective neutral government to have its ships properly marked so that any confusion with enemy vessels and the resulting incidents can be avoided. Aware of the importance of such a notification, the Naval Staff again requested the Foreign Office on 31 Jan. 1942 to send out the notes as soon as possible. However, the Foreign Office was willing to notify only Argentina and Chile. Telegrams to this effect were sent on 10 Feb. 1942. The Foreign Office took the stand that those South American countries which had broken off their relations with us should not be notified and that the German position concerning the marking of ships was often enough discussed in the press. The Naval Staff nevertheless suggested a new press release to this effect. As far as is known here, no such announcement was made.
- 2. In the beginning, immediate use of arms against Brazilian merchant ships was permitted only when they were escorted by enemy ships, were sending radio or other messages in violation of the regulations governing the right of prize, or were sailing with their lights dimmed and could not be identified as Brazilian

vessels. Later incidents in which Brazilian ships were involved prove that the behavior of our submarines was at all times beyond reproach.

- 3. As soon as the Brazilians began to paint their ships for camouflage purposes and to arm them permission to attack at once any South American ship recognized as armed was granted our forces on 15 May 1942.
- 4. Subsequent to the air attacks on Axis submarines off the Brazilian coast and the official announcement by the Brazilian Air Ministry that the attacks were made by Brazilian planes, the Naval Staff asked the Armed Forces High Command Operations Staff on 29 May 1942 to authorize the use of arms against Brazilian naval forces and merchant ships. In accordance with the Fuehrer's statement that if worst comes to worst no halfway measures should be used, a large-scale operation was planned, but the plan was dropped for political reasons. At the same time, the Armed Forces High Command Operations Staff issued new regulations for the use of arms against Brazilian ships on 1 Jun. 1942. The Foreign Office, which had agreed to these measures as ordered, was fully aware that they would in time lead to a state of war with Brazil. Ambassador Ritter confirmed this over the telephone as recently as 2 days ago.
- 5. After the sinking of 5 (five) steamers outside the Brazilian territorial waters on 16 and 17 Aug. 1942, the Foreign Office asked that our forces refrain from operating against Brazilian coastal traffic and keep at a distance of about 30 (thirty) miles from the coast. Instructions to this effect were duly issued.

This statement was made known to the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters and to the Naval Representative on the Armed Forces High Command Operations Staff so that they are prepared for any eventuality, For copy see Telegram 1/Skl I c 20764/42 Gkdos. in War Diary, Part C, Vol. IV.

Situation 23 Aug. 1942

I. War in Foreign Waters

- 1. Enemy Situation:
 Nothing to report.
- 2. Own Situation:

No reports have been received from our vessels in foreign waters.

All vessels in foreign waters were informed via Radiogram 0134 that we are now in a state of war with Brazil.

Information on the enemy situation was sent out via Radiogram 0652.

II. Situation West Area

1. Enemy Situation:

In the evening air reconnaissance spotted 6 destroyers on a southeasterly course and one on a westerly course west of Beachy Head. In the morning 20 to 25 steamers with 6 patrol vessels were proceeding on a southwesterly course off Eastborough.

2. Own Situation:

Atlantic Coast:

The ban on ship traffic in the Gironde was lifted.

Channel Coast:

So far, 2 transports and 5 assault boats which participated in the enemy operation of 19 Aug. have been brought into
Dieppe. Our coastal batteries fired several rounds on ships
located east of Folkestone between 0019 and 0100 without observing the effect.

Mine operation "Klara" is scheduled to be carried out in the night of 23 Aug.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance spotted 2 northbound convoys of 50 and 25 steamers east of Great Yarmouth. 35 northbound steamers were located off the Humber estuary and 5 southbound steamers were located off Flamborough Head.

Own Situation:

Mine operation "Eleanor" was carried out in the night of 22 Aug. as planned.

Mine sweeper M "3230" sank off Flushing in quadrant AN 8763 after hitting a ground mine. The entire crew was rescued, including a number of wounded. Convoy and patrol operations in the area of the Commanding Admiral, Defenses, North proceeded according to plan.

In the course of daylight incursions of enemy planes into the Dutch area and the German Bight, 17 demolition bombs were dropped on Emden, beginning at 1309. 8 of the bombs fell on the Nordseewerke. The raid caused minor property damage.

2. Norway, Arctic Ocean:

Enemy Situation:

5 steamers and 2 corvettes were sighted on a 240° course south of Iceland.

Own Situation:

At 0355 a plane presumed to be a British seaplane landed 4 men near Sommaroe on Langoe. One of them was shot, the 3 others are being searched for. Rubber rafts together with their contents were seized.

The Commanding Admiral, Norway has granted the request of the Admiral, West Norwegian Coast for removal of 8 to 10 anti-sub-marine mines type B from the anti-submarine minefield located on the northern side of the Westby Fjord, so that the cruiser KOENIGSBERG which has been raised keel up can be towed through to a bay with a sand bottom where she will be turned right side up.

The weather expedition "Holzauge" has started.

The Admiral, Arctic Ocean informed the naval forces participating in operation "Wunderland" via radiogram about the convoy en route from eastern to western Siberia, which is presumed to consist of 4 icebreakers and 19 ships according to the report of the Naval Staff Intelligence Division to Group North.

Referring to this convoy, Group North suggests that operation "Wunderland" be extended, and recommends the assignment of the submarines to patrol duty in the east to southeast part of the area.

This step is completely in accord with the views of the Naval Staff which welcomes as especially gratifying the present energetic response of the Group with regard to the Siberian convoy.

As suggested, the Admiral, Arctic Ocean extended the operation in order to intercept the convoy. On the other hand, the thrust into the Kara Sea will not be carried out for the time being.

Submarine U "355" left quadrant AB 3855 to return to Narvik.

Group North has agreed to the proposal of the Admiral, Arctic Ocean suggesting that mine operation "Zar" be executed while operation "Wunderland" is still in progress or directly thereafter. On the other hand, Group North does not consider it desirable to lay parts of the minefields closer together, as suggested by the Admiral, Arctic Ocean.

Group North does not agree to the replacement of the KOEIN by 2 or 3 more destroyers for carrying out operation "Rasputin", as proposed by the Admiral, Arctic Ocean. It insists, instead, on employing the KOEIN so that as many mines can be laid as possible. Group North realizes that in case of bad weather the operation may have to be broken off and undertaken anew with destroyers.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

No noteworthy reports have been received.

2. Own Situation:

In connection with the loss of the WURI, the Commanding Admiral, Defenses, Baltic Sea reports that the explosion occurred exactly on the prescribed route, and that consequently the captain of the ship cannot be blamed for any navigational error. The Commanding Admiral, Defenses, Baltic Sea assumes that the mines were British aerial mines with period delay mechanism or acoustic mines. Steps have been taken to salvage the cargo. Attempts are also being made to salvage the ship. For details see Telegram 1715.

Mine operation "Seehund I" in the Gulf of Finland has been completed. In the course of the operation, motor mine sweeper R "72" probably ran into the "Seeigel" minefield. The hull of the vessel is undamaged but the engine is not working. Convoy operations in the area of the Commander, Mine Sweepers, Baltic Sea proceeded according to plan without incidents.

V. Submarine Warfare

1. Enemy Situation:

A number of submarine sighting reports were intercepted from the Bay of Biscay, off Cape Hatteras, and off the Brazilian coast. Also a message was intercepted from a Brazilian radio station stating that the Brazilian coastal vessel GADIVA was attacked by a submarine in the same area in which the other 6 Brazilian vessels were torpedoed.

2. Own Situation:

Group "Loss" is continuing its operation against the convoy in the North Atlantic (large quadrant AK). No successes have as yet been reported.

Submarine U "98" intercepted a northeastbound convoy off the American coast in quadrant DC 1352 but was driven off by destroyers and night planes.

Of the submarines in the South Atlantic, submarine U"506", which belongs to the group operating in the Freetown area, sank 2 tankers of 5,000 to 7,000 GRT in quadrant ET 5328.

I. addition to her previous successes, submarine U "507", stationed off the Brazilian coast, stopped a 6,000 GRT steamer, which was sailing with her lights completely dimmed out, with gunfire and then sank her with a torpedo shot. The submarine also sank the 150 GRT sailing vessel JACYRA.

As far as the vessels sunk off the Brazilian coast to date are concerned, the submarine stated in reply to an inquiry that all the vessels involved had been sailing alone and did not show a flag or neutrality markings. Their defense equipment and armament have not been asertained. All attacks occurred outside the territorial waters. For further discussion of this issue with the Foreign Office see War Diary, Part C, Vol. VIII.

Further reports are included in the Supplement to the Submarine Situation in War Diary, Part B, Vol. IV.

3. Special Items:

On the occasion of the transmission of the Fuehrer directive concerning the war against Brazil and Uruguay, the attention of all submarines is being called in particular to the necessity of avoiding any incidents whatsoever with Argentine and Chilean ships and carefully observing any directives is sued in this respect.

The Commanding Admiral, Submarines states that, according to reports from several submarines, the radar interception sets installed on these submarines were used with good success and, as a result, the submarines were able during the day as well as at night to escape very dangerous air attacks, such as have in the past caused serious damage to, if not the loss of, at least a few of our submarines. These facts clearly show the importance of these radar interception sets for our submarines.

The Commanding Admiral, Submarines further remarks that the Naval Staff Communications Division, fully realizing the actual situation, has attacked the problem with speed and efficiency. It was owing to the sweeping special and prompt measures undertaken by the Naval Staff Communications Division that all the submarines scheduled to depart were equipped with radar interception sets within an unusually short period of time. (See Telegram 1530.)

VI. Aerial Warfare

1. British Isles and Vicinity:

During the day our Air Force carried out reconnaissance flights and fighter-bomber operations over localities on the coast. No noteworthy incidents occurred during the night of 23 Aug.

2. Mediterranean Theater:

The Air Commander, Africa reports that his forces carried out escort and reconnaissance missions, as well as free-lance patrol flights.

3. Eastern Front:

All in all, 166 planes were reported shot down on the eastern front. Reconnaissance flights were carried out over the Black Sea, the Caspian Sea, and the Arctic Ocean. A direct hit was scored during the air raid on the barracks near Eina Bay. 1 Whitley V was shot down west of Brest-Litovsk on 22 Aug.

4. Special Items:

The Air Force Operations Staff has somewhat modified the allocation of mine-sweeping planes (see War Diary 18 Aug.). For copy see 1/Skl 20321/42 Gkdos. in War Diary, Part C, Vol. V.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

An aircraft carrier of the ILLUSTRIOUS class left dock, and the CHARYBDIS entered dock in Gibraltar. 3 destroyers departed in westerly direction, while I destroyer arrived from the east. The number of ships in Valletta was apparently unchanged. No enemy reports have been received from the central and eastern Mediterranean. Radio intelligence reported that an unidentified British vessel which received fighter escort from Port Said in the morning was en route to Alexandria.

The Admiralty has now confirmed the sinking of the submarine UPHOLDER in the Mediterranean.

2. Own Situation, Mediterranean:

Enemy planes attacked Marsa Matruh in the night of 22 Aug. and Tobruk on 23 Aug. One of the attacking planes was shot down.

Air reconnaissance observed an enemy minefield consisting of at least 23 mines at the site of the sinking of the torpedo boat CANTORE.

A German plane spotted 6 steamers and the Wreck of 1 destroyer in the area between Cape Bon and the Kerkenna Islands. In reply to an inquiry, the German Naval Command, Italy stated that it knew about this sinking which occurred some time ago. Otherwise there was nothing to report.

3. Transport of Supplies to North Africa:

Transport of supplies to North Africa was carried out according to plan. In the evening of 22 Aug. 5 landing craft from Palermo arrived in Tripoli.

4. Area Naval Group South:

Aegean Sea:

Bad weather hampered the movements of some of the convoys. According to an intelligence report from Cairo, the British are said to have postponed their attack on Crete till September.

Black Sea:

Enemy Situation:

Radio intelligence reports that in the morning the cruiser KRASNY KRIM, the flotilla leader KHARKOV, and I destroyer were located at an unidentified position at sea. The Fleet Command is still in the Batum area. 2 destroyers were located in the area between Novorossisk and Sukhum, and 6 vessels, probably submarines, were located in the western part of the Black Sea.

In the evening of 22 Aug. air reconnaissance sighted 1 steamer and 2 tankers in Novorossisk, 2 steamers and 5 patrol vessels on a southeasterly course between Tuapse and Sukhum, and

1 submarine 85 miles east of Yalta.

Own Situation:

In the night of 22 Aug. the 1st PT Boat Flotilla encountered no ships off Tuapse except for patrol vessels, but observed many southbound vessels moving in columns on the coastal route.

4 vessels of the 3rd Motor Mine Sweeper Flotilla departed from Constanta in the evening of 22 Aug. and arrived at Balaklava at noon on 23 Aug. The flotilla spotted an enemy minefield 3.5 miles south-southwest of Balaklava.

On 22 Aug. 18 Army Siebel ferries and 2 motor fishing smacks were brought over from Osipenko to Mariupol where the minesweeping plane arrived the same day. The force is scheduled to start operations off Yeisk immediately and to sweep the route between Mariupol and Yeisk. The transport of supplies from Taganrog to Azov proceeded without incidents. So far, 380 meters of the unloading pier in Yeisk have been completed. The work is being continued.

Special Items:

The Naval Staff Operations Division is vigorously backing the request of Group South for transport tonnage, and for the establishment of a naval supply depot on the Caspian Sea with the Naval Staff Quartermaster Division.

VIII Situation East Asia

No noteworthy reports have been received.

IX. Army Situation

1. Russian Front:

Army Group A:

The Rumanian 3rd Army has penetrated into Temryuk.

The V Army Corps reached the vicinity of the railway curve northwest of Novorossisk. Novorossisk is under fire from our guns. Our forces in the Maikop area are being regrouped. Parts of the 1st Mountain Division reached the region north of Klydzh. A bridgehead was established across the Baksan River west of the town of Baksan.

The 3rd Panzer Division pushed forward across the undamaged Leningrad Canal bridge toward the south and crossed the rail-road line east of Mozdok at various points. No incidents occurred during the advance of the LII Army Corps toward the southeast.

Army Group B:

Parts of the southern pincers operating against Stalingrad pushed forward as far as the railroad line on both sides of the Tinguta station. In the north, the 6th Army advancing in southeasterly direction crossed the railway line between Stalingrad and Frolovo and reached the Volga River on 23 Aug. at 1700. Thus, the attack on Stalingrad is entering its crucial phase.

Central Army Group:

Enemy attacks on the front south of Sukhinichi continue. All forces had to be thrown in to ward off persistent enemy attempts southeast and north of Rzhev to widen the penetration.

Northern Army Group:

The enemy succeeded in driving another wedge into the positions of the SS Police Division southeast of Leningrad. No noteworthy fighting occurred on the other sectors of the Northern Army Group.

2. Finnish Front:

No fighting of importance was reported.

3. North Africa:

In the night of 21 Aug. our positions southwest of El Alamein were subjected to heavy artillery fire. Enemy reconnaissance and air activity was as usual. German tanks were increased to 220 and Italian tanks to 242.

Items of Political Importance

Great Britain:

Food Minister Woolton declared that the British need not fear a serious food shortage, but that they will have to tighten their belts.

According to press reports, the British trade unions seem to have decided to relax their policy aiming at complete exclusion of Communists. 13 Labour Party deputies in the House of Commons, all the deputies of the Independent Workers' Party, and numerous other leading figures have issued an appeal dealing with the war and peace objectives and demanding the establishment of a Socialist Great Britain as part of the Socialist States of Europe which are to be expanded into a Socialist World Commonwealth.

India:

A diplomatic source reports that the arrest of Gandhi and the Congress leaders, and the abolition of the Congress Committee have temporarily thwarted the civil disobedience movement. On the other hand, since the radical circles, which favor solving the problem by use of force, now have a free hand, no one at this moment can foresee what course events are going to take. It is quite possible that the Congress leaders will enter into negotiations with the Government of India.

Sweden:

According to a diplomatic source, the Swedish Foreign Office announced that up to now it has unfortunately been unable to determine conclusively that the steamer LILJEVALCH was torpedoed by Russian submarines. However, the Swedish Navy believes that it has succeeded in sinking 2 or 3 Russian submarines.

South America:

In a message to that country, Roosevelt welcomed Brazil's declaration of war. The press in Argentina, Chile, and Portugal expresses sympathy for Brazil's position.

Conference on the Situation with the Chief, Naval Staff

I. According to the report by the Chief, Naval Communications Division, the naval communications service worked perfectly during the enemy landing at Dieppe. The new alarm signal for enemy landings was used with good results. Unfortunately, the industry has too many orders on hand to be able to produce these signals and the equipment required for their firing in quantities sufficient to equip all naval, Army and Air Force stations on the coasts at once.

The Chief, Naval Communications Division discusses also the favorable reports about the use of radar interception sets on submarines. He refers in this respect to the report of the Commanding Admiral, Submarines as recorded in War Diary 23 Aug. Actually, the use of

radar interception sets is to be considered a mere expedient. The ultimate goal should be the establishment of a ground organization for determining the exact position of enemy vessels. The Navy is working on this problem. In this connection it is necessary to negotiate with Spain.

Reports have also been received about satisfactory results achieved with anti-radar devices on submarines in the case of 2 enemy destroyers.

- II. The Chief, Naval Staff Quartermaster Division reports about the request of the Commander, Destroyers for the creation of the 4th Destroyer Flotilla. The Naval Staff Quartermaster Division is inclined to disagree with the request. The Chief, Naval Staff, however, decides that the Commander, Destroyers should first state his views once more.
- III. The Chief, Naval Ordnance Division discusses details concerning the Navy in connection both with the conference notes of the General of Engineers at the Army High Command and with the directive of the Armed Forces High Command regarding the Fuehrer's order for development of coastal fortifications.
- IV. Captain Wagner from the Naval Construction Division reports on the visit of the Minister for Armaments and War Production to the Wilhelmshaven shipyard. On that occasion the Minister said that he would have to report to the Fuehrer that he is unable to supply the required 8,400 skilled workers for the shipyards. The Navy will have to be satisfied with foreign labor. Gauleiter Saukel has already received instructions to this effect. On the same occasion it was established that the Navy Yard at Wilhelmshaven already employs about 25% foreign labor; whereas Staatsrat Blohm, who was present at the conference, admitted in answer to the Shipyard Superintendent, Wilhelmshaven that his own shipyard employs only about 16% foreign labor. Minister Speer suggested furthermore that the quality of the technical personnel be improved by advancing higher officials without regard for seniority a step which is already under consideration by the Armed Forces High Command.
- V. The Chief of the Underwater Obstacles Branch, Naval Ordnance Division reports that rack mines are now released in urgent cases for use in operations areas up to a depth of 250 meters. They will not be released for general purposes before the results of the test undertaken somewhere in the Atlantic are known.

In a Restricted Circle:

VI. The Chief of the Foreign Affairs Section, Naval Staff Operations Division reports about the Naval Staff's position with regard to the question of the use of arms against Brazilian vessels, as recorded in War Diary 23 Aug. For further discussion of this issue see War Diary, Part C, Vol. VIII.

In a Very Restricted Circle:

VII. The Chief, Operations Branch, Naval Staff Operations Division reports on the plans of Group North in connection with the minefield situation in the Arctic Ocean and on the progress of operation "Wunderland".

VIII. The Chief of Staff, Naval Staff discusses the question whether the outbreak of war with Brazil makes it suitable to assign those submarines which were scheduled to operate off Cape Town to operations off the Brazilian coast. The Naval Staff believes that the Cape Town operation should be carried out as planned and that 4 of the-submarines, which will become ready for action at a later date, should be reserved for operations off Brazil, if necessary. The Chief, Naval Staff is of the same opinion.

IX. The Chief, Naval Staff Operations Division suggests postponing the award of an oak leaf cluster to the Knight's Cross to the commander of ship "28" for the time being; instead Commander von Ruckdeschell should be promoted to captain and awarded the German Cross in gold. The same decoration should be awarded to the commander of ship "10" when the ship arrives in Japan. The Chief, Naval Staff agrees.

For copies of these requests see 1/Skl 20867 and 20868/42 Gkdos. in War Diary, Part B, Vol. V.

Special Items:

I. According to the report of the Chief, Naval Intelligence Division, Uruguay's declaration of war on the Axis powers was not communicated to the Axis in any way and was mentioned only in a few enemy radio reports. It is positive that no such declaration has been issued so far. Uruguay's attitude will not be determined until today's special session of the Cabinet.

Also the Armed Forces High Command Operations Staff reports that the state of war with Uruguay is not yet a fact.

The Naval Staff has instructed the Commanding Admiral, Submarines and Group West accordingly.

The Naval Staff's belief that the Armed Forces High Command was better informed about the matter has thus proved unfounded. Of course, the Naval Staff could not expect the Armed Forces High Command to make such an error.

II. The Naval Attache in Tokyo reports that the Japanese Navy asked the German Air Attache in Tokyo to use his influence to have 2 German planes assigned to direct air traffic between Japan and Germany. The Naval Attache was asked to support the request.

The Navel Staff has an undeniable interest in the establishment of such a direct air route. The matter, however, primarily concerns the political authorities and the Commander in Chief, Air Force.

III. On the basis of information received up to 15 Aug. 1942 the Naval Intelligence Division, Foreign Merchant Marine Branch has submitted a report about the convoy and unescorted vessel routes in the Atlantic. As for the South Atlantic, the report contains the same facts as recorded in War Diary 17 and 21 Aug.

As anticipated, the Halifax route in the North Atlantic continues to run somewhat to the north because of the season. It is confirmed

that incoming ships use the northern part of the route and outgoing vessels the southern part.

The convoy situation in the Western Atlantic presents a clearer picture than before.

2 convoy routes for the American coastal traffic have been difinitely ascertained: one between New York and the Florida Strait, the other between Trinidad and the Florida Strait. It is not yet known whether both routes continue further in the Gulf of Mexico.

In addition to these coastal routes, convoy traffic is also being maintained between Aruba or Trinidad and Halifax, evidently for bringing cargo to or carrying cargo from the ships using the Halifax route.

For report and map see 1/Skl 20993/43 Gkdos. in War Diary, Part O, Vol. I.

IV. The Chief of the Communications Intelligence Branch, Naval Staff Communications Division has made a survey of the distribution of Russian naval forces as of 20 Aug. 1942. For copy see 1/Skl 29123/42 geh. in War Biary, File "Barbarossa".

Situation 24 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

According to an intelligence report, 2 large Anglo-American convoys carrying troops and materiel for the Caucasian front waited in Freetown to see whether the attempted crossing of the Mediterranean would be successful, and are now being sent off via Cape Town.

If this report is based on absolutely reliable enemy information, it would greatly contribute to a correct estimate of the actual objective of the convoy force recently shattered in the Mediterranean. It would be useful not only to check these facts but also to obtain a definite answer to the question of whether the convoy consisted of 21 or 12 merchant ships.

According to a report from Duala, both Victoria and Duala are blacked out, and there are mines in the Mumbo River.

Indian Ocean:

According to an intelligence report, there are constantly about 100 ships based in Aden for the India traffic.

Pacific Ocean:

Another Brazilian tanker, the SANTA MARIA, is reported to have passed through Punta Arenas heading for the Pacific on 15 Aug.

2. Own Situation:

No reports have been received from our vessels in foreign waters.

For the report of the German Armistice Commission, France on the positions of French convoys and merchant ships see Telegram 1120.

Il. Situation West Area

1. Enemy Situation:

According to a report of 22 Aug. of the Italian naval intelligence service, from a generally well-informed source, the British intend to make a landing on the coast of unoccupied France on 26 Aug. and to undertake, if possible, a simultaneous operation against the Spanish coast on the Bay of Biscay.

As a matter of principle, the enemy should never be suspected of any such blunt error as pushing France and Spain on our side by forcing them to abandon their present non-committal attitude, which holds opportunities in either direction. Both the London and the Washington Governments must very well know that at the present stage of the military situation they would encounter serious resistance in both countries and would merely play into our hands if all the men, merchant tonnage, warships, and any other war potential of these two countries situated on the Atlantic and the Mediterranean became available for our military purposes. This would immediately relieve us of having to make considerable concessions in solving the political problems that appear so difficult at the present moment.

From this point of view the report appears absolutely untrustworthy. (Tr. N.: The last sentence of this paragraph originally read as follows: "If we evaluate the Italian report very critically - and this is probably unjustified - it might be considered whether Italian anti-Axis circles, which undoubtedly exist, mistake the situation to such an extent that they believe Italy could be brought to the side of the Allies by an Allied invasion of southern France and Spain." This sentence was crossed out and replaced by the following marginal note signed by Wagner on 31 Aug.: "Not likely. It is more likely that the report was inspired by concern of the Italians that a situation might arise with which they are unable to cope. For this reason the sentence has been crossed out.")

Air reconnaissance over the Channel observed lively convoy and steamer traffic, as well as mine-sweeping operations off Hastings.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

Mine operation "Klara" was executed during the night of 23 Aug. During the operation, the center of the minefield was under long-range covering fire between 0540 and 0550. At 0553 the 10th Motor Mine Sweeper Flotilla and the escort forces had an engagement with enemy forces. 2 motor gun boats were set afire. 1 enemy motor gun boat blew up after having been set afire. Radio intelligence confirms the destruction of the vessel. At 0627 a detonation was heard at the northern end of the new minefield. From the shore one vessel with a funnel was observed to break into flames, blow up, and sink after hitting a mine. For the brief battle report of the commander of the motor mine sweeper force see Telegram 1630. For the report about the mine operation see Telegram 1655. It is certain that the enemy is aware of the minefield, since our ships were located accurately and there was an engagement with enemy forces during the mine-laying operation.

The 2nd group of the 5th PT Boat Flotilla failed to sight any vessels during its patrol tour in the early morning of 24 Aug. For brief report of the 5th PT Boat Flotilla see Telegram 1100.

The assertion made in the first reports about the enemy landing near Dieppe on 19 Aug., that 1 British steamer landed at the outer jetty, proved incorrect after further investigation. For the corresponding telegram from Group West to the Naval Staff, which contains also further details about the part played by naval units in repulsing the landing, see File "Enemy Landing at Dieppe on 19 Aug. 1942".

11 boats of the 2nd and 4th PT Boat Flotillas are scheduled to carry out a mine operation on the southeast coast during the night of 24 Aug. During the same night PT boats S "78" and S "115" are scheduled to transfer from Boulogne to Rotterdam.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

Mine operation "Fuenfte Kolonne" has begun.

2 ground mines were swept off Borkum. Convoy and patrol operations in the area of the Commanding Admiral, Defenses, North proceeded according to plan.

2. Norway, Arctic Ocean:

Enemy Situation:

Air reconnaissance spotted 5 steamers and 5 escort vessels lying off Archangel, and one 2,000 GRT steamer proceeding in the direction of the harbor 60 miles off Archangel.

Own Situation:

Norway:

The equipment unloaded by the enemy plane on Langoe Island consists of 2 rubber rafts and 2 radio transmitters. The search for the 3 men who escaped has failed so far.

On 22 Aug. the Russian battery on the Rybachi Peninsula fired at Nurmansaetti and at the approach to Petsamo harbor without causing any damage. In spite of search gear, hydrophones and plane support, subchase in the Feiestein-Lister area was unsuccessful.

Transport and convoy operations proceeded according to plan. The steamer KERKPLEIN, from the transport group carrying Russian war prisoners, was put in quarantine in Kirkenes on suspicion of typhus.

The Commanding Admiral, Norway has issued directives for the release of battle instructions for coastal batteries. For copy of message to the Naval Staff Operations Division see 1/Skl 20769/42 Gkdos. in War Diary, Part C, Vol. X.

Group North has agreed to the proposal of the Commanding Admiral, Norway concerning the removal of the UMB mines from the minefield in the Westby Fjord. The gap will be refilled after the KOENIGSBERG has been towed through. Group North also agrees to the laying of 5 single-row anti-submarine minefields in the area between Kristiansand South and Stavanger, as proposed by the Commanding Admiral, Norway, and requests the Naval Staff to authorize the operation (see Telegram 1823).

In connection with this mine project, the Fleet suggests that mine-fields 1, 2, 4, and 5 be laid at a distance of at least 2.5 to 3 miles both from the inner and the outer routes, and that minefield 3 not be laid. To assure the necessary freedom of movement, the Fleet demands that the mines be laid at a depth of at least 15 meters. (See Telegram 2105.)

Arctic Ocean:

The Admiral, Arctic Ocean supplements his directive for extension of operation "Wunderland" (see War Diary 23 Aug.) with the remark that it is not meant as an inflexible order, and that the thrust into the Kara Sea may be carried out if circumstances promise success.

Mine operation "Zar" was started in the evening. The route for the mine sweeper ULM corresponds to the departure route of the SCHEER up to 78° N, 40° E. From there on, the vessel is to change to an easterly course in order to mine a large area bounded by

75° N, 55° 25' E; 75° N, 53° E; 76° 30' N, 53° E; 77° 30' N, 62° E. Beginning at 1200 on 27 Aug. no vessels are permitted to pass through this mined area.

Air reconnaissance reports that on 23 Aug. the waters on the western coast of Novaya Zemlya were free of ice and the Matochkin Shar was covered with drift ice. À 30 to 50 km. wide drift ice zone was observed off the eastern coast of Novaya Zemlya, while the rest of the Kara Sea, as well as the Kara and Yugor Straits, were free of ice. It has not been established whether ships can pass through the Matochkin Shar.

Group North expects all unaccompanied steamers proceeding from the British Isles to the east to carry valuable cargo, which means that it would pay to send comparatively strong forces against these steamers, particularly since the system of using unaccompanied vessels for the transport of enemy supplies is undesirable and makes the sinking of such ships imperative. The Naval Staff is of the same opinion.

The Naval Staff has asked Group North to investigate how the assignment of 3 Finnish submarines to the area of the Admiral, Arctic Ocean would affect the problem of bases and supplies, and what arrangements would have to be made concerning command.

Group North has ordered that all submarine commanders be informed of the experiences made with convoy PQ 18. For telegram to Naval Staff see 1/Skl 20825/42 Gkdos. in War Diary, File "Eispalast".

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

The Finnish steamer ELSE struck a mine and sank off Vesborg (Samsoe). A mine-detonating vessel swept 1 ground mine 6 miles north of Swinemuende.

Minefields "Seehund I" and "Seeigel XXI" were laid in the Gulf of Finland according to plan. During the laving of minefield "Seeigel XXI", Il enemy vessels were sighted, including 3 large motor mine sweepers or patrol vessels. Two explosions were observed, accompanied by big columns of fire which later changed into a glow. It is therefore assumed that 2 vessels were destroyed in the "Seeigel II" minefield.

V. Merchant Shipping

On the basis of data about the Spanish shipbuilding industry supplied by the Naval Intelligence Division, Foreign Merchant

2. Norway, Arctic Ocean:

Enemy Situation:

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Own Situation:

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3. <u>Eastern Front</u>:

89 enemy planes were shot down on the Army fronts. In the night of 24 Aug. 21 Ju 88's attacked Archangel. Big fires were observed.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

In the night of 23 Aug. the ILLUSTRIOUS-class aircraft carrier left Gibraltar with 4 destroyers for the Atlantic. Of the large warships, the CHARYBDIS and the NIGERIA are still in dock in Gibraltar. In the afternoon a convoy consisting of 8 steamers, 2 corvettes, and 2 gunboats entered Gibraltar from the west. According to an intelligence report from Spain, an unidentified warship has been patrolling the waters 12 miles off Cape Tres Forcas since 0700.

Submarines were sighted off Naples, off the Strait of Otranto, and off the African coast north of Ras el Tin. In the latter case, the purpose might have been to reconnoiter the minefield.

At 2130 air reconnaissance sighted 2 westbound vessels, probably destroyers, about 40 miles west-northwest of Alexandria. At 1330 radio intelligence intercepted a message from a plane reporting an aerial torpedo attack on a submarine some 100 miles north-northeast of Marsa Matruh without any observed hit.

2. Own Situation, Mediterranean:

Nothing to report.

3. Transport of Supplies to North Africa:

Transport of supplies from Italy and Greece and coastal traffic proceeded according to plan.

4. Area Naval Group South:

Aegean Sea:

No incidents occurred during the convoy and mine-sweeping operations.

The tanker ALBARO was unable to depart from Piraeus for the Dardanelles because of rudder damage.

Black Sea:

Enemy Situation:

Air reconnaissance observed 5 steamers, 1 tanker, and a number of PT boats in Tuapse on 23 Aug. In the Tamanskaya Bay numerous small vessels were observed in north-south shuttle traffic. The cruiser KOMINTERN and 1 destroyer were sighted on a southerly course in the Sukhum area. 1 tanker and 2 steamers escorted by 1 destroyer and 2 patrol vessels were seen departing from Tuapse.

Own Situation:

The Italian subchasers which were sent into action off Novorossisk in the night of 23 Aug. sighted no enemy vessels. On 22 Aug. motor mine sweepers swept 1 moored mine off Mariupol.

In the afternoon of 23 Aug. an enemy submarine attacked and sank the tug ANKARA from the southbound convoy off the Bessarabian coast near Cape Burnas. The other vessels of the convoy entered Sulina toward midnight. The anti-submarine chase undertaken by a Rumanian gunboat appears to have been successful. Otherwise convoy operations proceeded as planned. 4 landing craft are en route from Linz to Sulina. PT boat S "26" is proceeding from Linz to Galatz.

5. Special Items:

- (1) See Telegrams 1035 and 1335 for preparations by Group South in order to provide a port commander for Astrakhan and to effect a prompt transfer of naval motor boats from Azov to the Caspian Sea, as well as for measures to defend Astrakhan with coastal artillery and river mines.
- (2) Group South points out that since mid-April our submarines have been making a much more extensive use of the Salamis base than originally planned. The result is that neither the requirements of the submarines nor the repair needs of the vessels under the Commanding Admiral, Aegean Sea can be met in a satisfactory way. This situation can only be remedied either by restricting the demands on the shippard to one vessel at a time or by increasing the capacity of the shippard to an extent which would meet the actual needs. Group South believes that the latter alternative would be more in line with the actual situation.

The Naval Staff Quartermaster Division will take care of the matter.

(3) On 13 Aug. the Naval Shore Commander, Crimea reported on the progress of work on the installation of batteries of the 601st Naval Coastal Artillery Battalion. 7 batteries totalling 31 guns have been installed in Yalta, Ivanbaba, Genichesk, Feodosiya, Ak Mechet, Komuna Initsyativa, and Ak Burnu. The two last-mentioned batteries were emplaced early enough to participate effectively in the artillery attack by all German coastal batteries in the Kerch Strait area on 8 Aug. The assignment of crews for these batteries has exhausted, to the last man the personnel of the Naval Shore Commander, Crimea. It is planned to install 4 more batteries, i.e., battery Cape Kany (north of Kerch), battery Balaklava, battery "von der Goltz" with four 20.5 cm. guns on Cape Kherson near Sevastopol, and battery Sevastopol on the southern outlet of the Severnaya Bay.

IX. Situation East Asia

Nothing to report.

X. Army Situation

1. Russian Front:

Army Group A:

The Rumanian 3rd Army broke the last enemy resistance in Temryuk and established a bridgehead over the Kuban River west of Temryuk. The western group of the V Army Corps is fighting a heavy battle against the enemy's intensified defense of Novorossisk. The hills west of the town were taken in bitter hand-to-hand fighting. Enemy air activity over the entire Army area, concentrating on Novorossisk, is so intense that our artillery is at times forced to cease firing. Enemy troops facing the XLIX Mountain Corps were reinforced south of the Klydzh. According to prisoner statements, 2 enemy mountain divisions are committed to the defense of the valley. The 1st Panzer Army extended the bridgehead at Baksan and repelled enemy attacks on the bridgehead near Maisky. The 3rd Panzer Division mopped up the remaining enemy forces at Mozdok and was likewise subjected to particularly heavy air attacks. The LII Army Corps advanced further to the southeast without encountering any enemy forces. A long-range patrol force effectively destroyed the railroad line between Astrakhan and Kilia north of Rastolye.

Army Group B:

The large-scale attack against Stalingrad is being carried on despite continued stubborn enemy resistance. The enemy is maintaining strong pressure on the Italian position on the Don River, with the result that the left wing of the Ravenna Division has collapsed. A counterattack is under way.

Central Army Group:

In the area south of Sukhinichi a large-scale enemy attack launched after the heaviest artillery preparation collapsed under an especially effective attack by our planes. East of Vyazma, the enemy succeeded in penetrating deep into the position of the 292nd Infantry Division after several of his previous attacks had been repulsed.

Particularly heavy fighting developed in the course of the battle near Rzhev. After a period of quiet, the Russian 30th and 31st Armies opened a heavy barrage the like of which has never before been experienced. This was followed by attacks on our positions near Zubtsov, and north of Rzhev with superior tank and infantry forces proceeding in tightly closed columns under strong air support. The enemy penetrated into our lines at several points. After bringing up every available reserve, our forces launched a counterattack. The heavy battle is still in progress.

Northern Army Group:

South of Staraya Russa our troops repelled tank-supported enemy attacks launched 8 times in succession. New attacks on Byelibor were likewise beaten off. Southeast of Leningrad the enemy forced our troops to withdraw their front.

2. Finnish Front:

Lively enemy patrol and assault troop activity was reported from all fronts.

3. North Africa:

No noteworthy reports have been received.

Items of Political Importance

Brazil's entry into the war: Brazil's note to Germany will not proclaim actual warfare between the two countries but merely the existence of a state of war; this is meant to indicate that Brazil wants to wage a defensive war only.

Subtle differentiations of this sort can, of course, not alter the fact that an unrestricted state of war actually exists.

A special meeting of the military representatives of the 21 American Republics on the Pan American Defense Committee accepted a resolution sponsored by Ecuador which expressed solidarity with Brazil. In this connection, the Chilean representative declared that his country could not remain silent or indifferent toward the destruction of Brazilian ships and would continue its loyal and effective support of the policy of continental solidarity.

In accordance with the stipulations of the Rio Conference of February 1942, so far Uruguay, Peru, Argentina, and Chile have announced that they consider Brazil non-belligerent.

In connection with the Moscow conferences it is learned from diplomatic sources that General Voroshilov has been named Commander in Chief of the Caucasian front on the basis of the talks between Churchill and Stalin. Turkish diplomatic circles, which are the source of this report, believe that the Moscow conferences were concerned chiefly with Anglo-American aid for the Caucasus front and with the establishment of a front in the Near East.

Churchill returned to London on 24 Aug. In view of the secrecy surrounding all matters connected with the visit to Moscow, the <u>Daily Herald</u> voices a vigorous protest against Churchill's secret policies.

France:

Marshal Petain commented enthusiastically to a German diplomat on the successful defense of Dieppe and also predicted a very favorable development of the war. He does not doubt that the German Army will reach Baku and the mouth of the Volga River and thus achieve victory over the Soviet Union, although the capture of the Caucasus might meet with major difficulties. Great Britain can be conquered only by an invasion of the British Isles. If this happens, the U.S.A. will withdraw from England and will no longer be interested in a continuation of the war.

In Darlan's opinion the British may make similar landing attempts, possibly even on a larger scale, during the fall. In the east, however, the fate of the Soviets will be sealed by the capture of Stalingrad and the seizure of the Volga mouth. In the Caucasus, Germany must be prepared for the intervention of Anglo-American forces. Suez represents the key position of enemy operations and of the collapsing British Empire; its capture is therefore of decisive importance for Germany.

25 Au., 1362

Portugal:

The German Minister reports from Lisbon that British propagands is beginning to take effect against Salazar due to the growing dissatisfaction of labor circles caused by economic tension.

U.S.A.:

Reports from consulates of neutral countries assert unanimously that communist activities have greatly increased in different parts of the U.S.A., for instance in Virginia. For details see Political Review No. 195, paragraph 7a.

Conference on the Situation with the Chief, Naval Staff

- I. The Chief, Naval Staff Communications Division reports that the "Mirschbluete" has taken 45 cases of communications equipment back to Japan. The appreciable quantity of shellac and mica brought by the submarine upon German request will be very useful for the construction of such equipment in Germany. The Chief, Maval Staff orders that these supplies of scarce material be stored by the Mavy, with the provision that the most urgent requirements of other branches of the Armed Forces are to be satisfied.
- II. The Chief, Naval Staff Quartermaster Division reports that the Naval Construction Division has suggested that the French cruiser DE GRASSE, now in an unfinished condition at St. Nazaire, be completed as an aircraft carrier. The ship is particularly suitable for this purpose on account of her design and her high speed. The Chief, Naval Staff orders that first of all the practical aspects be investigated.
- III. The Chief, Naval Staff Quartermaster Division further reports on the progress made with the new Norwegian batteries. On this occasion he rejects the unjustified reproach of the General of the Engineers, Norway that the heavy batteries are insufficiently protected. The Chief, Naval Staff orders that the Fuehrer be informed at the next opportunity about this matter.
- IV. The Chief, Foreign Affairs Section, Naval Staff Operations Division reports on the Japanese refusal to accept the war prisoners taken by German auxiliary cruisers prior to an agreement regarding the cost. The Naval Staff's standpoint is that this matter has to be settled somehow by the Foreign Office. The Naval Staff must insist that the war prisoners be taken over in every case without delay.

In a Very Restricted Circle:

V. The Chief, Naval Staff Operations Division reports on the account of the German Admiral at Rome concerning his relations with the Commanding General, Armed Forces, South; the latter arranged with General Cavallero the organization of an Air Force Liaison Staff of 3 members attached to the Italian Admiralty without notifying the German Admiral. When the German Admiral, Rome protested, Field Marshal Kesselring agreed to comply with the demand that the Liaison Staff be placed under the authority of the German Naval

Command, Italy on condition that the Navy assigns a qualified Admiral Staff Officer exclusively to the Liaison Staff. Since the Italian Admiralty feels it must comply with the directive of the Italian High Command, the Naval Staff believes that the stipulation will have to be met. The Chief, Naval Staff shares this opinion and deplores the fact that the German Admiral and his Chief of Staff were not able to avoid this clash with the Commanding General, Armed Forces, South. He orders that the name of a candidate suitable for the assignment be submitted.

The Chief, Naval Staff Operations Division also reports that Field Marshal Rommel was taken sick so that he may not be able to continue in command.

His absence just at this time would leave a gap very hard to fill.

Special Item

The Commander in Chief, Navy appointed the Chief, Naval Staff Communications Division, as his special deputy for radar and anti-radar for the entire Navy.

For the directive M 562/42 of the Commander in Chief, Navy see 1/Skl 20585/42 Gkdos. in War Diary, Part B, Vol. V.

Situation 25 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to an intelligence report from Portugal, 15 British steamers unexpectedly had to unload their cargoes destined for England at Gibraltar and to proceed empty to Freetown. 3 ships at Lisbon received a similar order.

South Atlantic:

A badly garbled message of the Rear Admiral at Freetown of 5 Aug. reveals a British belief that submarines and not a German auxiliary cruiser are operating in a certain area which could not be made out. The submarines are assumed to be cooperating with a supply ship located south of Las Palmas. This communication is connected with the reports caused by the appearance of ship "28" in the Gulf of Guinea.

Indian Ocean:

Radio monitoring intercepted in the East Indian area several urgent operational radio messages flashed from the British Isles to Colombo. On 23 Aug. a submarine warning was broadcast for the area 80 miles north of Ceylon.

2. Own Situation:

The operations of our auxiliary cruisers overseas showed the following results for the summer period:

Ship "28": 9 vessels totalling 60,262 GRT Ship "10": 10 vessels totalling 56,037 GRT Ship "23": 4 vessels totalling 22,000 GRT DOGGERBANK: 3 vessels totalling 16,667 GRT

Total: 26 vessels totalling 154,966 GRT

Not included in these figures are 3 ships of 21,000 GRT and the destroyer tender HECIA which struck mines in the Doggerbank minefields, but the sinking of which was not confirmed.

Mainly for its psychological effect on the crews of the auxiliary cruisers the Naval Staff proposes that the following be inserted into the communique of the Armed Forces High Command or released as a special communique:

"German auxiliary cruisers operating overseas accounted for 26 ships totalling 154,966 GRT during the summer 1942."

The Naval Attache at Tokyo transmits the last part of the excerpt from the log of ship "28" ending on 25 Jun. The entries deal with experiences with the shipborne plane and contain also a demand for the enlargement of the deep freeze units.

The Japanese Liaison Officer communicates that the Japanese are planning naval operations in the Indian Ocean and he therefore requests that the operations zone of German auxiliary cruisers be limited between 10 Sep. and the end of the year to an area defined by the following points:

- a. 35° S,60° E; 30° S,70° E; 30° S,100° E; 50° S,100° E; 50° S,60° E.
- b. West of 60° E and south of 40° S.

Should still larger Japanese operations develop in the Indian Ocean area, the Japanese Admiralty would request a further reduction of this zone, though this would be only temporary. The Japanese Navy claims all the rest of the Indian Ocean as far as Capetown for its operations.

The Liaison Officer reported also having learned from a conversation with the captain of the "Kirschbluete" that Japanese cruisers and destroyers probably made an unsuccessful advance beyond the Cocos Islands in a southwesterly direction.

The Liaison Officer further reported in strictest confidence that the Italians had approached the Japanese with a plan to operate a submarine in South African waters; the Japanese, however, refused.

Enemy situation report by Radiogram 0312.

II. Situation West Area

1. Enemy Situation:

The investigation of reports from Italian sources about British plans for landings in southern France and northern Spain, which was conducted by our Armed Forces Intelligence Service in Spain, proved completely negative. The Intelligence Service does not believe in the probability of an operation at the northern Spanish coast.

The Naval Attache at Lisbon reports unconfirmed rumors about a British intention to stage further raids on the French coast.

The Naval Attache at Buenos Aires transmits information originating from captains of British ships; according to them Scotland, particularly Glasgow, is the center of British military activities, not London. The captains believe that Headquarters of the British Admiralty and of the Royal Air Force are in Glasgow. About 6 weeks ago a few thousand so called invasion barges are said to have been transferred from Scottish to southern English harbors, mostly to Eastbourne and other places near Plymouth. Also special Diesel tugboats were transferred at the same time. Each tug tows 5 or 6 barges which have small motors themselves. The captains figure that major operations will take place as soon as the autumnal fogs set in.

2. Own Situation:

Atlantic Coast:

The roadstead of La Pallice was closed on account of suspected mines. A ground mine was swept in Quiberon Bay.

With reference to Group West's demand for regular strong escorts of outgoing blockade-runners as far as 18° W (see War Diary 21 Aug.), the 3rd Air Force replied that the momentary weakness of the forces at its disposal does not permit the assignment of the desired number of escorts.

Channel Coast:

PT boats S "78" and S "115" transferred to Rotterdam according to plan. The 2nd and 4th PT Boat Flotillas were engaged by enemy destroyers while and after executing their minelaying assignments; the missions were carried out. For short reports of the flotillas see Telegrams 1005 and 1055.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

The British Admiralty announces an attack on 4 German

anti-aircraft ships by British PT boats which took place in the evening of 24 Aug. off Flushing; one of the German ships was hit by a torpedo and sank.

Own Situation:

Patrol boats "1304", "1309", "1310", and "2008" had a brush with British motor gunboats in quadrant AN 8738 lasting from midnight to 0227. 2 enemy motor gunboats were reported sunk. Our vessels dodged 3 enemy torpedoes. Our casualties consist of a few wounded; the vessels suffered no damage. For battle report see Telegram 2140.

Mine-sweeping planes swept 2 and mine-exploding vessels 4 ground mines.

Special mission "Fuenfte Kolonne" was carried out according to plan. 2 more mines were swept on the approach routes. Convoy and patrol service proceeded on schedule.

2. Norway and Arctic Ocean:

Enemy Situation:

Air reconnaissance sighted 5 medium-sized steamers, 1 destroyer, and 2 patrol vessels off Archangel which proceeded on a southeasterly course in the western channel; also 2 single ships were spotted. On 24 Aug. 4 destroyers, 2 of them under construction, 5 escort vessels, and 28 steamers were observed at Archangel, while 4 escort vessels and 5 steamers were spotted outside the harbor.

60 to 70 fishing vessels were sighted north of Iceland.

Own Situation:

During the afternoon of 24 Aug. an eastbound convoy was attacked with 2 torpedoes by an enemy submarine south of Kiberg; both torpedoes missed. During a subsequent subchase the submarine was probably destroyed on 25 Aug.

A Russian battery on the Rybachi Peninsula fired on an eastbound convoy and on the Petsamo harbor area on 24 Aug. without causing damage.

The submarine chase on the west coast was continued in quadrant AN 3167. Enemy planes operated over the north and west coast during the day and the night of 24 Aug. Convoy service proceeded uneventfully.

The Commanding Admiral, Fleet and his staff aboard the HELA transferred temporarily on 26 Aug. to Germany. The Commanding Admiral, Cruisers as ranking naval commander in the north area takes his place in the meantime. (See Telegram 1520.)

As reported by the Commanding Admiral, Norway, the construction of an anchorage for large vessels at the eastern shore of Kaa Fjord would not serve the purpose, because anti-torpedo nets do not stand up in the rough waters there. Investigation is under way as to whether the anchorage could be shifted to the western shore.

Submarines U "255" and U "456" are reconnoitering the area to be mined in operation "Zar".

Submarine U "435" picked up the "Knospe" expedition and is returning to Narvik. The boat found the area north of Spitsbergen absolutely free of ice.

Results of air reconnaissance in the Archangel area (see Aerial Warfare) are transmitted to the participants of operations "Wunderland" and "Zar" by the Admiral, Arctic Ocean.

En route to operation "Zar" mine layers were reported by submarine U "488" in quadrant AB 9835 as "unidentified ships". Beyond any doubt a case of dangerous neglect to inform ships at sea adequately.

Nothing has, yet been heard from operation "Wunderland".

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Finnish reconnaissance reports sighting gunboat KRASNOYE SNAMYA on 24 Aug. in the northern bay of Lavansaari.

2. Own Situation:

The German steamer PETER VON DANZIG (850 GRT), carrying a cargo of gravel struck a mine off Samsoe and sank. This indicates the presence of mines with time delay mechanism, since this route is checked frequently. The same applies to the mine struck by the transport WURI. As a consequence of this loss and the experiences had on the occasion, Group North requested the Shipping and Transport Branch of the Naval Staff Quartermaster Division to set up an organization which would permit quick identification of personnel involved in accidents of troop transports.

Ground mines were swept near the spot where the PETER VON DANZIG sank.

Nothing to report from the area of the Commander, Mine Sweepers, Baltic Sea.

V. Submarine Warfare

1. Enemy Situation:

Air reconnaissance intercepted an RRR signal of the Norwegian steamer WASHINGTON EXPRESS (3,543) from approximately 480 miles southeast of Newfoundland.

2. Own Situation:

8 submarines en route from Germany are combined to form group "Vorwaerts" in the North Atlantic and are ordered to assume positions on a patrol line extending from quadrants AK 3765 to AK 6629. The group will operate against convoys from the British Isles to America.

Bad weather forced abandonment of operations against the convoy in quadrant BD. The results achieved so far consist of:

A 7,000 GRT steamer sunk and 2 steamers of 6,000 GRT and 3,000 GRT torpedoed by submarine U "138".

A 6,000 GRT steamer torpedoed by submarine U "176" and a medium-sized steamer probably sunk by U "605".

In adjacent waters a single steamer of 12,000 GRT was sunk in quadrant AK 9454 by submarine U "604".

The boats operating on the U.S. east coast had no successes to report. Group "Bluecher" spotted a convoy probably convoy SL, in quadrant DH 1543 and is now operating against it.

In the area off Freetown submarine U "130" sank steamer VIKING STAR (6,445 GRT) in quadrant ET 6446.

For further reports see supplement to submarine situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. Pritish Isles and Vicinity:

A few of our planes made nuisance raids on coastal places during 25 May and the following night.

The enemy penetrated during the day into Germany and damaged several industrial plants in the Cologne district.

2. Mediterranean Theater:

Nothing to report.

3. Eastern Front:

In 2,787 sorties we lost 5 planes and shot down 100 enemy planes. Reconnaissance flights in the Black Sea and the Caspian Sea. In the Arctic Ocean the Varlamovo airfield was attacked by 14 Ju 88's with observed good results.

Special Items:

In view of the expected commissioning of aircraft carriers the Air Force General attached to the Naval High Command has ordered the organization of the necessary units. For the GRAF ZEPPELIN a group staff with 3 multi-purpose groups, 2 carrier-borne fighter groups including torpedo planes, and a ship-based air command is to be organized by 1 Mar. 1943; a replacement group with group staff, one multi-purpose squadron, and one fighter squadron is to be organized by 1 May 1943.

Considering that this is a new field as far as the Air Force is concerned and that it is necessary to channel all experiences gathered by the carrier-borne air forces to a single agency, evaluate such information, and send it directly to the zones of operation, it has been suggested that the office of an advanced training commander for carrier-borne forces be created at the Air Force Operations Staff.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The Italian Consul at Oporto sent an agent report according to which extraordinary military activity is going on at Gibraltar, which seems to indicate that the British plan a landing at an undisclosed place. The date named for this operation was 26 Aug. This report evidently originates at the same source as the one reported on 24 Aug. by the Italian Naval Intelligence Division. (See War Diary 24 Aug.)

The German Naval Command, Italy takes the following stand:

"Although it must be expected that the British are planning operations which are motivated by military considerations alone, the operation mentioned is considered very unlikely because it lacks a strategic goal and because its political repercussions, particularly in the event of a failure, would be too grave."

This conclusion conforms to the opinion of the Naval Staff as expressed on 24 Aug.

According to an intelligence report from Spain, a Spanish steamer reported sighting an aircraft carrier and 7 destroyers at 36° N, 7° W proceeding on a southerly course and 16 steamers headed for

the Strait of Gibraltar at 0900 of 24 Aug. This evidently refers to the aircraft carrier which sailed from Gibraltar during the night of 23 Aug. and to the convoy which arrived there in the afternoon of the same day, although only 8 incoming steamers were reported.

From another intelligence report from Spain it is learned that lively air activity was observed on 25 Aug. over the Portuguese south coast and extending as far as Gibraltar.

No other news of importance was received from the entire Mediterranean.

2. Own Situation, Mediterranean:

Enemy planes attacked Marsa Matruh, Tobruk and the harbor of Corfu in the evening and during the night of 24 Aug.

3. Transport of Supplies to North Africa:

Supply transport from Italy and Greece to North Africa and North African coastal traffic proceeded according to plan and without major incident.

Volume of goods unloaded at Tobruk on 23 Aug. amounted to 544 tons, on 24 Aug. 1,045 tons; at Marsa Matruh 307 tons on 23 Aug. and 245 tons on 24 Aug.

4. Area Naval Group South:

Aegean Sea:

Tanker CELENO had to put into Mudros harbor on the way to the Dardanelles on account of engine trouble. Otherwise supply transports and convoys in the Aegean Sea proceeded according to plan.

The Admiral, Aegean Sea requests urgently that the number of Spanish steamers be augmented, since they proved very useful for Crete shipping and are safe from submarines. Group South supports this proposition urgently.

The matter will be taken up by the Shipping and Transport Branch of the Naval Staff Quartermaster Division.

Black Sea:

Enemy Situation:

Lively submarine activity was observed by radio monitoring; altogether 21 submarines were located, 8 of them in the western Black Sea. The Fleet Commander was at sea in the Batum area at noon. Air reconnaissance established in the morning of 25 Aug. that 2 more steamers had entered Novorossisk and also sighted a convoy sailing from Tuapse in a southeasterly direction.

According to the Naval Attache at Istanbul, a well-informed source reports that great quantities of provisions, ammunition and fuel are stored at Batum to supply the Russian fleet in the event that the Caucasian ports must be evacuated.

Own Situation:

The fact that 17 Russian mines and cutter floats were swept by the Crimean minesweeper detachment proves that the closed area west of Sevastopol was mined. A mine-sweeping plane swept 2 mines off Yeisk. 3 anti-torpedo barrages were laid off Ivanbaba. Supply transport and convoy shipping proceeded according to plan without major incidents.

Submarine DELFINUL is to be ready for operations by 1 Sep.

VIII. Situation East Asia

The Naval Attache at Tokyo reports the situation in the Solomon Islands unchanged. Enemy supply operations which were carried out at first only by submarines are now executed by destroyers and steamers, too. An enemy destroyer was sunk on 22 Aug. by Japanese destroyers which penetrated into Lungarodo Bay.

At 1430 on 24 Aug. an enemy force consisting of 1 battleship, 2 aircraft carriers or auxiliary carriers, 6 cruisers, and 12 destroyers was attacked by Japanese carrier-borne planes southeast of the Steward Islands. Fires were observed on both aircraft carriers, which are of a type unknown thus far to the Japanese Navy. The Japanese allegedly suffered no losses.

IX. Army Situation

1. Russian Front:

Army Group A:

The 3rd Rumanian Army captured the peninsula west of Temryuk. A Rumanian cavalry division, advancing in a southerly direction, crossed the Kuban River at Protskaya. The enemy attacked the spearheads of our advancing V Army Corps and was repulsed in bitter hand-to-hand fighting. Southwest and south of Krasnodar enemy counterattacks launched from the mountains were also repulsed. Our operations in the mountains are progressing steadily against occasionally stubborn enemy resistance.

Army Group B:

The battle for Stalingrad continues. At the juncture of the Khoper and Don Rivers the western flank of the XVII Army Corps suffered a setback due to further withdrawal of the Italian

forces. Our reserves have been thrown into battle.

Central Army Group:

All enemy attacks in the area south of Sukhinichi were repulsed, partly through counterattacks. We succeeded in holding our positions in the Rzhev area. Enemy preparations for renewing his attacks were dispersed by artillery fire.

Northern Army Group:

Enemy attacks southeast of Schluesselburg and south of Leningrad were smashed before they could get under way.

2. Finnish and North African Fronts:

Nothing to report.

Items of Political Importance

Concerning the Shipping Problem:

The Times published a survey of submarine warfare in the western Atlantic and particularly off the North American coast, stating that the ships sunk still exceed those newly built. This should impress the Allies with the fact that the battle of the Atlantic is one of the vital operations of the war.

Great Britain:

On 22 Aug. Churchill declared in a press conference at Cairo that Great Britain is determined to fight for Egypt and the Nile River estuary as if they were England's own soil.

Efforts of British trade union leaders to merge American, British and Russian unions and labor organizations failed completely. For details see Political Review No. 199. paragraph 3c.

U.S.A.:

Reuter reports from Washington that a new Lend Lease Agreement between the U.S.A. and Great Britain is about to be announced. Corresponding agreements with Australia and New Zealand are in preparation. A new agreement had to be drawn up because U.S.A. forces in British territories must be supplied.

Roosevelt invited the Prime Ministers of South Africa and Australia to Washington.

According to a diplomatic report based on the travel impressions gained by a neutral authoritative source, the personal advisers to the President are playing the most important role in the U.S.A. next to Roosevelt. These men have dictatorial powers over the matters under their control. Hatred of Japan, enemy no. 1, is said to be beyond description and ineradicable. Germany merely has to be cured of her pathological craze for conquest. In order to crush Japan, the war in Europe must first be finished by exploiting the full war potential. Economically the country is going through a tremendous boom period.

Uruguay:

According to Reuter, the Government denied that Uruguayan planes participated in an attack on Axis submarines as was reported from Rio.

Russia:

According to the German Legation at Helsinki the Finnish envoy to the Vatican transmitted the following views of his Japanese colleague:

- 1. Russia's offensive power is broken.
- 2. The war in Russia will end during the month of October without a formal peace.
- 3. The U.S.A. is Japan's enemy no. 1 and all forces must be concentrated against her.

- 4. Japan can assist her allies solely by harassing enemy supply traffic.
- 5. The U.S.A. will concentrate her forces on Germany first, and will attack Japan only in 1943.
- 6. Japan is not interested in a prolonged European war.

The Finnish Envoy concluded that the Japanese Envoy wanted to make him understand that a Japanese offensive against Russia is not imminent.

The fact that points 3 and 5 coincide with the views expressed in the previously mentioned diplomatic report about the U.S.A. is noteworthy.

According to reports from military circles in London, General Auchinleck will become Commander in Chief of an Anglo-American Army which will operate jointly with the Russians in the Caucasus. The principal objects of the Allied Forces in Iran and Iraq under General Wilson are to protect the supply routes to the Russian Caucasus Army and to organize the British and U.S. defense south of the Caucasus.

Turkey:

According to the official German News Agency (DNB), the President emphasized in a speech the cautious Turkish attitude toward both of the belligerent parties.

Special Items:

I. The Chief, Naval Staff is at the Fuehrer Headquarters for a report.

For his report and the Fuehrer's decisions see 1/Skl I b 663/42 Gkdos. Chefs. in War Diary, Part C, Vol. VII.

Of particular interest: The Fuehrer refused to grant the requested permission for operations by cruiser SCHEER in the Atlantic during the winter.

II. Due to past experience in naval reporting, particularly that of 19 Aug. during the Dieppe raid, the Naval Staff makes the following request of Naval Groups West, North and South, the German Naval Command, Italy, and the Fleet: Until the revised regulations concerning the Navy's reporting system are issued, the above commanders are requested to take whatever steps are necessary to speed up transmission of observations and reports.

For copy of this directive see 1/Skl I a 20616/42 Gkdos. in War Diary, Part B, Vol. V.

III. After investigating the possibility of using planes systematically in order to make cruiser warfare against merchant shipping safer and more effective, the Naval Staff Operations Division reached the conclusion that future developments must

aim, not at a cruiser equipped with ship-borne planes, but at an aircraft carrier with adequate armament. During subsequent discussions of the relative merits of battleships and air craft carriers, the Naval Staff Operations Division states that it is too early to say that possible future developments in planes jeopardize the usefulness of the heaviest and costliest battleships. The tasks of the two types of ships must be clearly differentiated, and further developments in ship construction must be undertaken with this in mind. The battleship is for combat with guns, the aircraft carrier for operations involving planes.

A detailed analysis by the Planning Branch, Naval Staff Operations Division which will serve as a basis for future discussion of this problem is contained in War Diary, Part B, Vol. V.

Situation 26 Aug. 1942

I. War in Foreign Waters

- Enemy Situation:
 Nothing to report.
- 2. Own Situation:

No reports were received from our ships in foreign waters.

Enemy situation report by Radiograms 0214 and 1829.

II. Situation West Area

1. Enemy Situation:

An intelligence report from Portugal reveals that 3 British steamers escorted by a corvette left the Tejo River mouth during the night of 25 Aug. in a southerly direction. On 25 Aug. a steamer under Panamian flag left Lisbon for Durban.

Air reconnaissance sighted 30 steamers on a northeasterly course proceeding in the forenoon in the waters southwest of Ireland.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

A group of the 38th Mine Sweeper Flotilla was bombed and strafed by enemy planes off Gris Nez shortly after midnight.

Otherwise nothing to report.

Special Items:

a. The Commander, PT Boats reports that 2 additional PT boat

crews can only be assigned to the 1st PT Boat Flotilla, in order to permit the commissioning of 2 more vessels which he himself considers necessary, at the expense of the flotillas operating in the west area. 5 vessels of the 6th PT Boat Flotilla will probably have been overhauled by the middle of September and another 3 vessels by 25 Sep. The Commander, PT Boats reports further that the defensive tasks in the west area require that the 5th PT Boat Flotilla remain in the Channel area proper (Cherbourg), and that consequently again only 9 to 12 boats of the 2nd and 14th PT Boat Flotillas will be available in the principal zone of operations, the Hoofden area. The Commander, PT Boats therefore requests that he be permitted to use the vessels of the 6th PT Boat Flotilla from Ijmuiden in the Hoofden area as they become ready. Preparations for transfer of this flotilla in case of unforeseen developments in the Gulf of Finland continue. (See Telegrams 1135 and 1205.)

- b. Group West welcomes the plan of the Commander, Destroyers to assign torpedo boats T "17", T "18", and T "19" to the 5th Torpedo Boat Flotilla in the west area. (See Telegram 2330.)
- c. Maps of the British General Staff captured during the Dieppe raid reveal that the enemy was so well acquainted with the location of our flanking anti-invasion barrages in the Channel that his landing barges were routed directly through the gaps. The British operations plans were worked out on 16 Jul. The minefields traversed by the enemy were not laid until 20 to 22 Jul. at a slight distance from the planned location. Announcements of the closed areas by the Admiral, French Coast were made on 13, 20 and 21 Jul., generally speaking after the enemy plans had been worked out. It must thus be strongly suspected that the enemy learned on 16 Jul. at the latest of the plans which Group West made known to the Naval Staff only on 17 Jul. This assumption necessitates a renewed check and intensification of all security measures and requires, in addition, that the minefield gaps be closed. This, by the way, has already been suggested by the Commander, PT Boats, too, for different reasons.

Group West receives a corresponding directive by the Naval Staff, with copies to Group North and the Counter Intelligence Section of the Intelligence Division, Armed Forces High Command. For copy of order see I E 1653/42 Gkdos. Chefs. in War Diary, Part C, Vol. VI.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

2. Own Situation:

An enemy air attack on one of our convoys north of Ameland was repulsed at 2310 of 25 Aug.

On 26 Aug. mine-exploding vessels and harbor defense boats

swept 9 ground mines in the Borkum area, and a mine sweeper and a mine-sweeping plane each swept one more off Zeebruegge. Enemy reconnaissance in the afternoon over the coastal area of the German Bight.

British radio broadcasts on 22 Aug. reported that 14 Danish trawlers were captured, probably at the Doggerbank, and the Danish Navy Ministry had word that a Danish cutter was sunk on 18 Aug. in quadrant AN 3757 supposedly by a British destroyer; in view of these reports Group North requests that the Operations Staff, Air Porce be asked to have the 3rd and 5th Air Forces reconnoiter the Doggerbank area more frequently and to direct them to destroy all fishing vessels encountered beyond the areas assigned to German and neutral fishing vessels. The Group expects that these measures will restrain the activities of enemy warships and protect the German fishing industry.

The Naval Staff is following this matter up.

2. Norway:

Enemy Situation:

The Armed Forces Intelligence Service transmits a communication of the Reich Central Security Office of 26 Aug. concerning a report from a reliable agent and member of the Polish resistance movement according to which a British-American landing attempt is to be made in Norway between 28 Aug. and 3 Sep.

Own Situation:

On 22 Aug. and 15 Aug. a Russian battery on Rybachi Peninsula fired unsuccessfully at German westbound convoys and also at the Army Coastal Battery "454" where it scored a hit on the barracks.

The Commanding Admiral, Fleet sailed on board the HELA from Trondheim in a southerly direction with escort vessel F "l" and motor mine sweepers R "64" and R "58".

A submarine chase in quadrant AN 3161 was unsuccessful. Convoy service proceeded according to plan.

The Commanding Admiral, Norway reports that because of the depth of the water it is impossible to lay the minefields south of minefield 1 and off Lister, as proposed by Group North (see War Diary 24 Aug.). Submarines will have to be combatted in these areas by permanent subchaser patrols. The Commanding Admiral, Norway suggests 2 additional minefields in the Feiestein area, namely a minefield 3a between minefields 3 and 4 and a minefield 6 north of minefield 5. The Commanding Admiral, Norway cannot agree with the objections of the Commanding Admiral, Fleet (see War Diary 24 Aug.) with regard to the location of the minefields and the latter's suggestion for a new anti-submarine barrage off Stavanger and refers in this connection to the war experiences of the Naval Staff Operations Division outlined in its pamphlet "Mine-laying Tactics No. 10". For details see Telegram 1810.

Because of the transfer of the 6th PT Boat Flotilla from the

Norwegian area to Germany, the Naval Staff Operations Division demanded on 28 Jul. that tender LUEDERITZ serving as radio relay station be replaced at once by a land relay station or by another vessel. Following study of this request by the Chief, Naval Communications Division, on 26 Aug., the Fleet Branch of the Naval Staff Quartermaster Division assigned the METEOR to take the place of the LUEDERITZ. The latter can be withdrawn only after the METEOR is ready to sail. It is still being investigated whether the task could be taken over later on by the Vardoe radio station.

- The Naval Staff Operations Division regrets to state that the LUEDERITZ has not been released, as was urgently demanded, even though a month has elapsed.

3. Arctic Ocean:

Enemy Situation:

Radio monitoring intercepted a report from a British ship sailing approximately 105 miles south of the South Cape at 18 knots, course 2450, that she was being followed by a shadower.

At 0945 air reconnaissance sighted 3 British destroyers in quadrant AB 3855 proceeding at 15 knots on a 270° course. Submarine U "88" reported the same destroyers in quadrant AB 3945 on an easterly course disappearing from sight. An inquiry resulted in the statement that the enemy's last reliably established course was southwesterly and that the reported easterly course was based on assumption. At 1025 air reconnaissance reported 1 cruiser and 2 destroyers on a westerly course in quadrant AB 3736. It is not clear whether these reports refer to a single or to 2 different forces.

At 1045 air reconnaissance sighted 5 steamers and 3 escort vessels on a northerly course at the White Sea entrance.

The radio intercept service of the Air Force intercepted an order of the Air Force Commander of the Arctic Fleet to the 95th Air Force Regiment calling for air protection of a convoy and for escort forces consisting of 2 destroyers and 1 escort vessel; this convoy which sailed at 1800 on 25 Aug. is expected, to be at 70° 58' N,48° 13' E on 27 Aug. It is to be picked up by the air escort at dawn on 26 Aug.; the destroyers are to be escorted on their return voyage. Bduvaya Guba was mentioned as the point of departure or destination of the convoy.

Own Situation:

The Naval Staff Operations Division assumes for the time being that a convoy sailed at 1800 on 25 Aug. from Bdushya Bay, and it will be at 70° 58' N,48° 03' E (sic, Tr.N.) on 27 Aug., and relays this assumption to Group North and the Admiral, Arctic Ocean, adding that no further information is available. (See Telegram 2338.)

The Commanding Admiral, Norway points to the possibility that the

announced convoy is identical with the one sighted at the White Sea entrance at 1045. Further investigation is required.

Submarine U "209" reported that ice damaged her periscope when she surfaced. Submarine U "255" reported that the Sheranyia radio station was destroyed on 25 Aug. at 0430. No radio communication was observed.

At 2349 the Admiral, Arctic Ocean directed the ULM to lay the minefields north of 75°N and east of 63°E only upon special order so as not to endanger the SCHEER and submarines which are on their way back; the ULM is to report the receipt of this order by short signal indicating her position as of 2200 on 26 Aug.

No reports were received from operations "Wunderland" and "Zar".

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Baltic Sea Entrances and Western Baltic Sea:

The German steamer DRAN ran aground off Hesseloe in the evening of 25 Aug. but was refloated during the forenoon of 26 Aug. A ground mine was swept at the northern entrance of the Great Belt by a mine-exploding vessel. On 25 Aug. a balloon which carried approximately 1/2 cu. m. of explosive was salvaged in the Kattegat.

A convoy of 5 steamers proceeded from Oslo via Vasa to Jacobstadt according to plan.

The fact that steamer HEINRICH VON PLAUEN struck a mine south of Pillau led to the discovery of ground mines there. The threat from ground mines in Danzig Bay caused Group North to order a check-sweep of the submarine training areas. For the corresponding directive to Baltic Naval Command see Telegram 1713. While it is not possible at this time to increase the number of minesweepers in the area of the Baltic Naval Command, the latter is advised to withdraw a few vessels from the western Baltic Sea even though channel-sweeping operations in that area will be delayed thereby.

2. Eastern Baltic Sea:

Enemy Situation:

A total of 6 submarines were sighted or located by the radio intercept service in the eastern part of the Gulf of Finland. Lively activity of PT boats, motor minesweepers and patrol vessels in the "Seeigel" area as well as the appearance of the KRASNOYE SNAMYA indicate in Group North's opinion that the submarines are getting ready for a breakthrough.

According to testimony of war prisoners, torpedo boat T "204" and a minesweeper or patrol vessel were destroyed during the night of 23 Aug. in the "Seeigel" area between Vigrund and Tyttersaari. Finnish air reconnaissance sighted a 10 mile oil slick in minefield "Seehund 10"; wreckage and equipment in minefield Ontajaervi, including a case of Russian explosive cutter charges, were salvaged. This indicates at least 2 more successes due to mines.

Own Situation:

Minefield "Seehund VI" has been laid. Subchaser "1216" was torpedoed by an enemy PT boat and sank off Vikallagrund. 1 officer and 17 men were rescued.

Convoy and mine-sweeping operations proceeded according to plan.

The Commander, Mine Sweepers reports that the 1st Air Force has only 9 fighter planes available in the area between Orel and the Gulf of Finland; they are based on an airfield 220 km from the Gulf of Finland. Group North requests that at least a few fighter planes be assigned to the Gulf of Finland if the land situation permits their transfer.

The Naval Staff is taking up the matter with the Air Force Operations Staff. Russian planes dropped German language leaflets in the Helsinki area, inciting German sailors to mutiny.

V. Submarine Warfare

1. Enemy Situation:

The British steamer PORT JACKSON reports that she was fired on by a submarine 330 miles southwest of Porcupine Bank.

Otherwise numerous submarine warning signals from the U.S. east coast and the West Indian waters.

2. Own Situation:

The operations of Group "Loss" against the convoy in the central North Atlantic were called off. The submarines are ordered to take on supplies.

No successes were reported from off the American coast.

In the Caribbean Sea, a 3,500 GRT steamer was sunk in quadrant EC 1196 by submarine U "558".

Groups "Bluecher" and "Eisbaer" are operating against a convoy in quadrant DH proceeding on a northeasterly course, out of which steamer CLAN MACWHIRTER (5,941 GRT) was sunk by submarine U "156".

Submarine U "130" of the Freetown group sank steamer BEECHWOOD (4,897 GRT) in quadrant ET 6715. Secret instructions taken from her captain concerning the shipping route from Capetown to Freetown confirm information in the possession of the Naval Intelligence Division, Foreign Merchant Marine Branch.

No news was received from the Mediterranean.

For additional reports see supplement to submarine situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

During the day fighter bombers raided Eastbourne. During the night of 26 Aug. 17 planes attacked Colchester, 2 other places near Dover, and a convoy east of Harwich with undetermined results.

50 enemy planes penetrated into Germany from the east and reached the Memel, Berlin, Torgau Gruenberg, Gnesen, Ortelsburg line. Bombs were dropped on Berlin (Dahlem), Stettin, Koenigsberg, and Danzig. See daily situation for a report of the damage.

2. Mediterranean Theater:

Reconnaissance and escort activity. Fighter bombers attacked gun emplacements and motor vehicle concentrations at El Alamein and Uweisat.

3. Eastern Front:

54 enemy planes were shot down at the various Army sectors.

Reconnaissance activity in the Black Sea and the Caspian Sea, also in the Arctic Ocean. For results see enemy situation reports under the respective headings.

Special Item:

The Air Force Operations Staff submits a directive to the Air Force Group Command, Central Area and the 4th Air Force; it concerns the transfer on 27 Aug. of a mine-sweeping plane for temporary use by the 4th Air Force. All necessary arrangements to be agreed upon directly between the 4th Air Force and Naval Group South.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The cruiser CHARYBDIS sailed from Gibraltar. 2 troop transports, one of 11,000 GRT, the other of 12,000 GRT, arrived from a westerly direction with troops under escort of 2 destroyers.

According to latest aerial photos, the ILLUSTRIOUS-class aircraft carrier seems to be equipped with anti-torpedo nets when at sea. The German Naval Command, Italy will have the photos reexamined.

Traffic in the eastern Mediterranean was light on 26 and 27 Aug. according to air reconnaissance.

2. Own Situation, Mediterranean:

Tobruk was attacked by enemy planes during the night of . 25 Aug. A gasoline supply dump was burned. Light enemy naval forces shelled the coastal road near El Daba during the same night.

3. Transport of Supplies to North Africa:

It is belatedly reported that the convoyed steamers OSTIA and OLYMPOS were attacked by an enemy submarine 10 miles north-northeast of Derna on 23 Aug. A subsequent submarine chase was unsuccessful.

Transports to North Africa from Italy and Greece as well as coastal supply traffic proceeded according to plan. Italian submarines are again engaged in coastal supply transports.

4. Area Naval Group South:

Aegean Sea:

Enemy planes attacked the Corinth area. The Canal was slightly damaged but remained navigable. Aegean convoys proceeded without interference. The Admiral, Aegean Sea calls the attention of the Naval Construction Division to the confusion caused by contradictory orders regarding the 300 shippard workers for Greece which were allocated on 8 Apr. 1942, and announces that the Director of Ship Construction will personally intervene in this matter in Berlin on 3 Sep.

The Naval Staff fails to see why the execution of such a small matter, which is, however, of greatest importance to the Navy, should take more than a year.

Black Sea:

Enemy Situation:

Air reconnaissance spotted 3 southbound and a northbound convoy off the southeast coast. In addition, a heavy cruiser and 2 destroyers were sighted at sea off Poti. No ships were at the ports of Novorossisk, Gelendzhik, Gagry and Adler, while 1 heavy cruiser, 1 light cruiser, 5 submarines, 2 minesweepers, the hull of a heavy cruiser, 4 tankers, and 4 steamers were at Batum.

Radio monitoring revealed 7 submarines at sea, 5 of them in the southwestern Black Sea.

Own Situation:

On 24 Aug. a mine was swept in the outer harbor of Yeisk by a mine-sweeping plane. The Azov minesweeper group swept a moored mine outside the shipping lane at the southern harbor entrance of Mariupol. A motor barge struck a minefield while entering Yalta harbor during the night of 25 Aug.; she rammed and damaged a pilot vessel. The barge remained afloat and is maneuverable.

Transport convoys in the Black Sea and the Sea of Azov proceeded according to plan. A total of 4,817 tons was shipped between 2 and 24 Aug. from Mariupol and Tanganrog to Azov.

VIII. Situation East Asia

The U.S. Navy Department announces that U.S. naval and air forces are engaged in a large-scale sea battle. They are endeavoring to repel strong Japanese forces which have

approached the islands southeast of the Solomons from a northerly direction. A number of hits were allegedly scored on several Japanese aircraft carriers, cruisers and battleships. So far, Japanese reports on this action have not been received.

IX. Army Situation

1. Russian Front:

Army Group A:

Army Group Ruoff continued its advance against partially strong enemy resistance.

Army Group B:

The offensive toward Stalingrad from the north and south is progressing according to plan. All enemy attacks were repulsed. The situation at the breakthrough at the Italian division at the Don River was restored by throwing in reserves. At Voronezh we succeeded in dislodging the enemy from most of the suburbs.

Central Army Group:

Enemy attacks at the Zhizdra River sector, which were carried out in some places with considerable forces, were repulsed with the effective assistance of our Air Force. In the Rzhev area, too, all more or less strong enemy attacks were repulsed. It appears that the enemy is bringing up reinforcements and regrouping his forces at this sector.

Northern Army Group:

Enemy attacks on the land bridge to the II Army Corps were repulsed.

2. Finnish Front:

At the southern wing of the Murmansk front enemy assault detachments reconnoitered.

3. North Africa:

The enemy is reinforcing his positions by bringing up fresh troops. Air activity is lively.

Items of Political Importance

Great Britain:

Swedish correspondents report that all talk about the second front has subsided in London, in spite or because of Dieppe. It is hoped that British and American operations in the Near East will help to cushion the consequences of the Russian defeats, the extreme gravity of which is realized in London as well as in Washington. The Times writes: "Neither the dress rehearsal at Dieppe nor the aerial offensive against the nerve centers of the German war industry were able to shatter the conviction that Britain's military effort is inadequate while Russia faces her worst crisis.

According to Reuter, the communist paper <u>Daily Worker</u> reappeared after it had been suspended for 19 months; also the paper <u>The Week</u> is being published once more.

France:

According to diplomatic reports, large circles are said to be badly disillusioned as a consequence of the British failure at Dieppe and the conviction is growing that a final Anglo-American victory is impossible.

Rumors reaching Stockholm from unoccupied France about an Allied landing at Dakar on 25 Aug. were denied by Vichy the same day. In this connection, discussion of Brazil's claims on French Guiana, instigated by the U.S.A., flared up once more. The Transocean News Agency reports that the U.S. Charge d'Affaires at Vichy conferred on this problem with Laval.

Portugal:

The Government supplied additional explanations to the German Government concerning its note to Brazil. For details see Political Review No. 200, paragraph 5.

Syria:

The Vichy Telegraphic Service (Ofi) reports that the tension between British and De Gaulle followers has become more acute.

U.S.A.:

A newly created joint U.S. and Brazilian defense commission is to coordinate all defensive measures and to take care of equipment, supply problems and fleet operations.

Secretary of State Hull declared that no change of policy toward Martinique is planned, nor have new steps been taken with regard to the removal of the French warships from Alexandria.

Argentina:

It is learned from a diplomatic source that a separate division for national defense has been created within the Foreign Ministry, which is to cooperate with the two political divisions and with the War and Navy Ministries. The Government decree by which this new agency is created points specifically to the resolutions and recommendations made with regard to Pan-American solidarity.

Brazil:

The present relations between Japan and Brazil are termed by the official Japanese press as a "special form of neutrality"; in this connection it is pointed out that it will depend on Brazil entirely in what direction the relations will develop. Political circles are under the impression that Japan intends to tread cautiously, and that she seems unwilling to increase the tension between the two countries.

Chile:

According to a diplomatic source, the Axis Powers have warned Chile amicably but firmly that certain recent statements made by its Government cannot be reconciled with Chile's supposedly 100% neutrality. The Axis Powers have made every effort to give merchant shipping in the South Pacific under the Chilean flag all possible protection, guarantees and concessions, though naturally reserving all the rights of belligerent nations accorded them by international law. In replying to this protest, the Chilean Foreign Minister reiterated the extremely difficult position of his country and reasserted that an attack on the Panama Canal or interference with shipping in the Pacific would render it very difficult for Chile to maintain her neutrality. However, he hopes that the President's trip to Washington will be followed by a certain letup in foreign relations; in this connection he expressed the expectation that reaction might set in against U.S. domination of Chile. Well-informed German circles have little hope that domestic and foreign pressure on the government will ease.

Uruguay:

The Foreign Ministry published the following decree:

- l. Due to prevailing conditions, the Government of Uruguay declares its complete solidarity with Brazil. It will consider Brazil a non-belligerent since she was driven into the conflict by Germany and Italy.
- -2. In view of the geographic proximity of the two countries, Uruguay's national defense authority is authorized to seek an agreement with the Brazilian military authorities on all matters promoting effective joint protection against potential attacks.

According to a British radio broadcast, the Government of Uruguay informed the Brazilian Government that its air and naval bases are at Brazil's disposal.

Special Items

I. The Wilhelmshaven Armed Forces Intelligence Center transmits information from a British war prisoner who had served on the RODNEY. The report contains statements about the RODNEY's part in the action against the BISMARCK on 27 May.

For copy see 1/Skl 291351/42 geh. in the War Diary.

II. Evaluation of information obtained by the radio decoding and intercept services during the period from 17 Aug. to 23 Aug. is contained in radio intelligence report No. 34/42 of the Chief, Naval Communications Division, Communications Intelligence Branch.

With regard to the enemy landing at Dieppe on 19 Aug., the beginning of this operation was unnoticed since radio silence was maintained up to 0628 when the landing proper began.

Considerably more information about Russian radio communications in the Arctic Ocean has become available.

Situation 27 Aug. 1942

. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

An agent reports sighting a convoy of 17 large U.S. troop transports under escort of 2 cruisers and 5 destroyers on 19 Aug. on a southerly course 150 miles north of Madeira.

South Atlantic:

According to an intelligence report from Lisbon dated 25 Aug. a large convoy consisting of 2 British and U.S. divisions is said to have sailed from Freetown on 18 Aug. and is expected in Egypt about the middle of September in time for the beginning of another offensive. Up to 21 Aug. this convoy had not yet passed through the Mozambique Strait.

India:

A Turkish agent reports that a convoy of more than 100 ships now en route is expected in Suez by the end of August. An RRR signal from a British steamer was intercepted from 50 miles southeast of East London, it was subsequently cancelled. The message said that "an unidentified warship is not following the customary procedure". The Yugoslav steamer SUPETAR was sunk in the Mozambique Strait. Italian radio intelligence intercepted a British message, according to which the MADRONO (which has arrived at Yokohama in the meantime as a prize of ship "10") was either sunk or captured on 1 or 2 Jul. in the area 20° to 30° S, 70° to 87° E.

2. Own Situation:

The most important information up to 25 Jun. from the log of ship "28", which was forwarded by the Naval Attache at Tokyo, was transmitted to all ships in foreign waters by Radiogram 0638.

The sinkings achieved by the auxiliary cruiser were mostly effected by means of the light PT boat.

Enemy situation report by Radiogram 0445.

II. Situation West Area

1. Enemy Situation:

An intelligence report from Spain relates an agent's report from London of 18 Aug. according to which a large-scale land-ing operation on the Belgian coast originating from the Thames and its vicinity is planned for about 15 Sep. 70,000 men will be involved to this operation, 40,000 of them British volunteers.

It is learned from an intelligence report of 23 Aug. that convoys originating in America are assembled exclusively in Canada and that transports from the U.S.A. are sent there, too. At present 2 convoys are being assembled which will first proceed together to Iceland, from where one will proceed to the Russian Arctic ports and the other to the British Isles. According to this source at least 2 U.S. cruisers, which were previously at Portsmouth, took part in the attack on Dieppe on 18 Aug. Portsmouth is said to be the center for commando operations and the main port of departure for the second front. More commando undertakings are said to be planned and to be in preparation now.

2. Own Situation:

Atlantic Coast:

The harbor of La Pallice was reopened. 4 ships of the 3rd Torpedo Boat Flotilla sailed from La Pallice at 1800 to explore the shipping lanes in the Bay of Biscay.

Channel Coast:

PT boats S "77" and S "81" had an engagement with 6
British motor gunboats from 0255 to 0308 20 miles west of Le Havre
while proceeding from Boulogne to Cherbourg. For battle report
see Telegram 0725. A hit on an enemy boat was observed. At 2310
of 26 Aug. the 36th Mine Sweeper Flotilla shot down one of our own
Ju 88's between Ostend and Nieuport.

At 0910 30 enemy single and twin engine fighters bombed and strafed the roadstead of Dieppe. Patrol boat VP "1509" was hit by 2 bombs and towed sinking to Dieppe. A subchaser and another patrol vessel suffered damage and casualties. 2 of the attackers were definitely shot down, a third one probably.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

Escort and patrol services in the area of the Commanding Admiral, Defenses, North according to plan, without special incidents. 7 ground mines were swept.

During an enemy air raid on Rotterdam the mine-laying ship COBRA at the Wilton shipyard was hit by a bomb at the forward end of the bridge and capsized.

2. Norway:

Enemy Situation:

According to an intelligence report based on information from British diplomatic circles at Lisbon, a British-American landing on the Norwegian coast between Narvik and Murmansk is expected. It is anticipated that 5,000 British and American planes will attack Germany by October.

Own Situation:

Nothing to report.

3. Arctic Ocean:

Enemy Situation:

The order issued to the 95th Naval Air Force Regiment which was intercepted by the Air Force intercept service (see War Diary 26 Aug.) was studied once more by the Chief, Naval Communications Division, Radio Intelligence Branch and is now interpreted as follows:

The 95th Naval Air Force Regiment of the Russian Arctic Fleet, assigned to convoy escort duty in Gorlo Strait at the end of July, was notified at 2300 on 25 Aug. that 1 patrol vessel and 3 ships thought to be freighters left an unidentified port at 1800 on 25 Aug., and that 2 destroyers sailed from another unidentified port, bound for Beluyava Guba (Novaya Zemlya). The route of the convoy would be from the Kanin Nos lighthouse to Beluyava Guba, speed 18 knots. 2 destroyers would accompany the convoy to 70° 58' N, 48° 03'E (sic, Tr. N.) where they would arrive at 1100 of 27 Aug. and then return with 25 knots speed. The planes are to escort the convoy from dawn of 26 Aug. up to this point and thereupon escort the returning destroyers due to arrive at the lighthouse, probably the one on the east coast of Kola Peninsula, at 0100 on 28 Aug.

The plausible version of the report is transmitted to Group North and the Commanding Admiral, Norway.

At 0730 air reconnaissance sighted 1 steamer, 1 patrol vessel and 3 lighters in Khabarova Bay (south of Novaya Zemlya). On 26 Aug. radio monitoring intercepted a message of a Russian radio station, probably that of Kanin Nos, according to which 5 freighters and 3 minesweepers passed the station at 1650 on a northeasterly course and were lost from sight at 2025 proceeding on the same course.

According to radio intelligence, 6 to 8 British ships were located during the day and the night in the southern part of Gorlo Strait and in the Archangel area.

Reconnaissance by planes south of Novaya Zemlya did not sight enemy forces.

Own Situation:

The situation analysis by Group North at noon of 27 Aug. considers among others also the possibility that the outbound convoy reported by the Air Force radio intercept service might be a departing PQ convoy. In this connection Group North refers to the British ships located in Gorlo Strait by radio monitoring. The Naval Staff believes that convoy PQ 18 is not en route. In the meantime several single ships on an easterly course were located in the area east of Bear Island; in view of their positions and course it may be assumed that they are heading for Archangel from the west. There is no indication where the 5 steamers reported off Archangel came from. It is possible, though, that these ships come from northern Siberian ports, but there is also the possibility that they are transferring from Murmansk to Archangel. It is unlikely, however, that the ships are a convoy bound for Archangel from the west.

For Group North's situation analysis see Telegram 1/Skl 21119/42 Gkdos. in file "Wunderland".

The Commanding Admiral, Group North gave permission to the Admiral, Arctic Ocean to start operation "Wunderland" the evening of 27 Aug., provided there are no important reasons against it. At the same time the task force of the Commanding Admiral, Cruisers was placed on 3-hour readiness.

No reports were received about operation "Zar". The order issued to the ULM to report her position is inadvisable, in view of the SCHEER operation.

Special Items:

a. In the Naval Staff's opinion, weather stations should be maintained in areas not regularly surveyed by air or naval forces only if other circumstances afford them a certain degree of protection, for instance if they are ice-bound as was the case in earlier similar undertakings. This possibility does not exist, however, in the case of Bear Island, which is ice-bound for only a short period every year. The Naval Staff Operations Division is therefore opposed to establishing a weather station on Bear Island as planned by the Intelligence Division of the Armed Forces High Command and recommends trying to obtain the required information from this area by means of automatic weather reporting equipment.

For copy of corresponding memorandum see 1/Skl. I Nord 20975/42 Gkdos. in War Diary, Part C, Vol. IIa.

b. Group North reports with reference to the Naval Construction Division's opinion of the seaworthiness of cruiser KOELN that cruisers on operations cannot necessarily seek shore protection in case of rough seas, and either this risk must be borne or else cruisers must not be operated outside the Baltic Sea and the Skagerrak.

If the latter alternative should be decided on, Group North requests that no more cruisers be assigned to the Arctic area or that they be used there for the sole purpose of repulsing enemy landing attempts.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

No special incidents from the area of the Commanding Admiral, Defenses, Baltic Sea.

Group North gave orders to remove the Swinemuende dummy barrage which interferes with sweeping ground mines.

According to the Operations Staff of the Armed Forces High Command, the Fuehrer has ordered the reinforcement of the Danish coastal defenses along the lines of the Westwall. The work is to be done with the forces available there. No additional forces are required. The Commanding General of the German Armed Forces in Denmark submitted a priority list. He proposes that the harbors of Esbjerg, Kyboroen and Hirthals be reinforced first by construction of hedgehog defenses. The Naval Staff is requested to comment on this plan. (See Telegram 1715.)

The Swedish Navy reported that a Finnish convoy was attacked on 25 Aug. in the Aaland area by a submarine with 2 torpedoes which missed. The Naval Attache at Stockholm believes that transports are supposed to proceed through Oeregrund and to be dismissed from their Swedish escort at Oresundsgrepen, the boundary of Swedish territorial waters. The Attache requests the Naval Staff to confirm his assumption and if necessary to repeat its directive that transports are to be handed over to the Finns at Simpnaes. (See Telegram 2115.) In view of the submarine menace in the Aaland Sea, Group North ordered that the escorts of troop transports be reinforced by 3 ships of the 1st Mine Sweeper Flotilla.

Ship "47" proceeding from Memel to Windau was attacked in the eastern Baltic Sea north of Libau by a Russian submarine with 2 torpedoes, both of which missed. The submarine submerged after being hit by gunfire. Depth charges were dropped, too, but results could not be ascertained. 4 fighter planes and 2 low-flying planes attacked the 3rd Mine Sweeper Flotilla, the latter dropping 2 aerial torpedoes which missed. Mine-sweeping and escort operations in the area of the Commander, Mine Sweepers, Baltic Sea proceeded uneventfully.

V. Merchant Shipping

1. Enemy shipping situation as of 1 Aug. 1942

Fluctuations of the available tonnage were due exclusively to new constructions and losses, since additions by transfers and purchases ceased after the U.S.A. entered the war.

In spite of rising ship building output, almost 675,000 GRT during July as against 230,000 GRT in January, the available enemy tonnage of 33,600,000 GRT on 1 Jan. 1942 decreased to 30,400,000 GRT on 1 Aug. owing to constantly rising losses.

Enemy production figures are rising.

The Allied ship-building program for December 1942 calls for production of 800,000 GRT. Sinkings by submarines are also increasing since the beginning of the year. At this time no prediction can be made as to the future development of submarine warfare which must be considered the yardstick for the war on merchant shipping. If the Axis Powers can maintain the sinking figures at the level of the last months and if the enemy can fulfill his production program, the sinkings and replacements will be about the same by the end of 1942, and the available enemy shipping space will have reached its lowest level around the end of 1942 or the beginning of 1943.

A diagram of this development is contained in the "Foreign Merchant Shipping" report by the Naval Intelligence Division, Foreign Merchant Marine Branch.

2. With reference to the control of merchant shipping in the Baltic Sea, the Reich Commissioner of Maritime Shipping reported on 8 Aug. that the transport situation in the Baltic countries no longer makes it necessary to take great risks; he therefore proposes that ships be permitted to proceed singly (not in groups) and close to shore, provided adequate protection, possibly by planes, can be given them. The Commissioner also requested that the various shipping authorities be informed in time when escort is to be provided in certain areas.

The Naval Staff examined this matter together with Group North and the Baltic Naval Station, and ordered the Baltic Naval Station, the Commander, Mine Sweepers, Baltic Sea, with copy to Group North, to notify the Shipping Representatives at Stettin, Danzig, Koenigsberg, Libau, Windau, Riga, and Reval as early as possible about the time when escorts can be provided. The Reich Commissioner of Maritime Shipping has been requested to see that information as to the convoy timetables is made known to as few persons as possible, and that secrecy is maintained. He was further informed that regular air escort cannot be provided and that his proposal that ships proceed singly meets unanimous opposition from the operations zone, because traffic of supply and merchant ships to the Baltic countries in groups of 2 has proved very satisfactory for more than a year. The Naval Staff further requests the Reich Commissioner of Maritime Shipping to see that the number of orders issued to shipping at his request, many of which are contradictory, be cut down in order to avoid confusion.

VI. Submarine Warfare

1. Enemy Situation:

Radio monitoring located about 30 reconnoitering enemy planes 120 miles west of Brest.

A submarine attack at the northern exit of the Belle Isle Strait was reported from off the U.S. coast. Submarine warning signals were intercepted from the Gulf of St. Lawrence, north of Nantucket Island, and the Gulf of Mexico.

According to an intelligence report from Sweden the two convoys now being assembled in Canada will sail from there this week and proceed together as far as Iceland.

According to an intelligence report from Spain, 3 British steamers with machine guns for airplanes and with 4-motored planes left Galveston (Texas) on 19 Aug. for Portsmouth (England) under escort of 7 U.S. warships.

2. Own Situation:

The only success reported comes from the waters north-east of Trinidad, where submarine U "162" sank a 10,000 GRT tanker in quadrant EE 7312.

Contact with the northbound convoy southeast of the Azores consisting of more than 20 steamers was maintained up to 1930. Group "Eisbaer" was ordered to abandon the operation, to form a patrol line from quadrants DH 1444 to DH 1664 by 0800 of 28 Aug. and to proceed south.

For additional reports see supplement to submarine situation in War Diary, Part B, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

Folkestone was raided by fighter bombers during the day; hits in the target area were observed.

During the night of 27 Aug. 23 planes attacked Leeds.

2. Mediterranean Theater:

Nothing to report.

3. Eastern Front:

101 enemy planes were shot down.

Reconnaissance missions were carried out in the Black Sea and the Arctic Ocean.

A Russian mine sweeper was severely damaged during an aerial attack on Lake Ladoga.

4. Incursions:

There were between 300 and 350 enemy incursions during the night of 27 Aug., about 300 of them over Germany. They penetrated as far as Copenhagen, Danzig Bay, Stralsund, Lueneburg, Braunschweig, and Muenchen-Gladbach. The attack centered on Kassel, where heavy damage was inflicted. For details see daily situation report.

Special Items:

- a. In modification of the order of 26 Aug. the Air Force Operations Staff directed the 3rd Air Force to transfer one of its mine-sweeping planes temporarily to the 4th Air Force at Mariupol no later than 27 Aug. The Air Force Group Commander, Central Area is ordered to transfer one of the Ju 52 mine-sweeping planes including its crew from his area to the 3rd Air Force.
- b. The Naval Representative on the Air Force Operations Staff reports that up to now 2 Ju 86 high altitude planes are being used for daylight attacks on England. They attack from an altitude of 13,000 m. On order of the Reichsmarschall the production of this model is to be speeded up as much as possible. So far no antiaircraft defenses have been encountered over England at such altitudes.
- c. The Air Force Operations Staff assumes that the 6 large merchant vessels seen at Archangel on 25 Aug. belong to a convoy from overseas. The 5 medium-sized steamers spotted on 26 Aug. on the western shipping lane outside of Archangel may be a convoy from overseas, too. The convoys may have come from the west or from the east through the Northeast Passage. The Air Force Operations Staff is inclined to believe that the latter is the case and that the ships are parts of the large convoy expected to arrive from the east. It is planned to intensify the attacks on ships and harbor installations of Archangel and to mine its harbor entrance.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The troop transports which arrived at Gibraltar on 26 Aug. are said to have brought about 4,500 infantry and artillery men to relieve the Gibraltar garrison. The Italians expect that a convoy will sail from Gibraltar in the immediate future.

The Italian Navy reports large British ships cruising off the French Morocco coast. According to an unconfirmed report, French air and naval forces have been alerted.

27 Aug. 1942 .

Among other ships 4 submarines were observed at Valletta by air reconnaissance. It cannot be determined whether they are supply boats or whether the harbor is serviceable once more as a submarine base.

Submarines were sighted off Cape Bon and off Navarino.

No enemy situation reports were received from the eastern Mediterranean. Radio monitoring during the night of 26 Aug. intercepted reports from one of our North Africa convoys which was shadowed and attacked by the British.

2. Own Situation, Mediterranean:

During the night of 26 Aug. Marsa Matruh was attacked by enemy planes and suffered slight damage. Tobruk was not attacked that night. 2 German PT boats arrived at Suda from Augusta.

The Naval Staff requests the German Naval Command, Italy to report immediately what routes the British are believed to have sailed in the Strait of Sicily, both coming and going. The Naval Staff places particular value on the opinion of the German Naval Command, Italy on the following points:

- a. Were French territorial waters invaded, and if so where?
- b. Did enemy forces pass through the minefields outside of French territorial waters?
- c. What is the location of the minefield laid by the Italians during the night of 11 Aug. and what is the Naval Command's opinion about its effectiveness?

On 20 Aug. the Naval Attache Rome reported on an interview with Admiral Riccardi, in the course of which the latter commented on the outcome of the naval operations from 11 to 13 Aug. and on the destruction of the British convoy. In this connection Riccardi referred to a communication from the Commander in Chief, Navy according to which the minefield planned by the Naval Staff in French territorial waters in order to close the gap off Cape Bon was not to be laid; this change was allegedly brought about by new considerations just before the beginning of the British convoy operation, although the project had previously been agreed upon between German and Italian political authorities. Nevertheless Riccardi ordered the mine-laying operation, which had already been started to be carried out.

This version is undoubtedly erroneous. The Naval Staff's opposition to the operation was due to the fact that the Italians wanted to seal the French territorial waters without having any indication that a new convoy operation had begun, anticipating the approval of the political authorities.

For copy of the report see 1/Skl 21002/42 Gkdos. in War Diary, Part C, Vol. XIII.

3. Transport of Supplies to North Africa:

A number of deplorable losses of and damages to ships have been reported:

The troop transport CAMPERIO was torpedoed and sunk by an enemy submarine at 0751 west of Crete, although she was proceeding in convoy under escort of a destroyer and 2 torpedo boats. Details are not yet known.

Steamer ISTRIA was sunk by enemy planes 60 miles off Ras el Tin.

Tanker GEORGIOS was damaged by several bomb hits.

Steamer ARMANDO ran ashore at Caledia while proceeding from Palermo to Tripoli.

On 25 Aug. 1,010 tons of material were unloaded at Tobruk in addition to 773 tons from tankers; on 26 Aug. the respective figures were 1,184 tons plus 684 tons from tankers.

4. Area Naval Group South:

Aegean Sea:

Because of mines allegedly located by an Italian torpedo boat, the waters northwest of the northwestern tip of Crete were closed to shipping. The Air Force was ordered to check on this report. Regarding the sinking of the CAMPERIO see preceding paragraph. Otherwise convoy operations in the Aegean Sea proceeded according to plan and without major incident.

Black Sea:

Enemy Situation:

Lively shipping off the Caucasian coast is interpreted by the Air Commander, Crimea to be connected with transports to central Caucasian ports. Reconnaissance of the Tuapse area revealed movements to the northeast toward Maikop.

Radio monitoring established the cruiser KRASNY KRIM and the flotilla leader KHARKOV at sea under escort of 5 destroyers at unidentified positions. The Fleet Command on board an unidentified ship sailed from Batum during 26 May and was located during the night of 26 Aug. approximately 60 miles off Ochemchiri in company of 4 destroyers, 1 submarine depot ship and 4 submarines.

Own Situation:

Operations and movements in the Black Sea area were hampered to a great extent by continuous bad weather.

Special Items:

- a. The Commanding General, Armed Forces, Balkans communicates that it is not planned to transfer the supply troops of the 22nd Airborne Division to Crete. (See Telegram 1250.)
- b. Group South objects to the plan of the Chief Quartermaster Black Sea to charge the Navy with the execution of all

maritime shipping operations, boluding towing, lightering, loading and unloading. (See Telegram 1320.) The Naval Staff Quartermaster Division will take up the matter.

IX. Situation East Asia

No official reports of any importance were received.

American reports assert that the sea battle in the Solomons has reached far greater proportions than revealed by the communique of the Navy Department. U.S. warships are attempting to protect the bridgeheads against considerable Japanese naval forces off Tulagi. The action is still in progress. The Navy Department announced that it is too early yet to make a conclusive statement regarding the results of the battle.

The Japanese landed in Milne Bay on New Guinea against strong air defenses. A Japanese transport was allegedly sunk, a cruiser probably sunk, and a destroyer damaged. According to a report from Tokyo the American fleet in the Solomons was severely damaged by Japanese air forces. In addition to the two aircraft carriers already reported, a PENNSYLVANIA-class battleship is said to have been severely damaged. The Japanese concede that one of their smaller aircraft carriers was damaged and that a destroyer was sunk.

X. Army Situation

1. Russian Front:

Army Group A:

The advancing spearheads of Army Group Ruoff had to fight off persistent local enemy attacks. The 1st Mountain Division is fighting for the possession of Marukk Pass, while the 4th Mountain Division has captured Tshmasha Pass. The 23rd Panzer Division began an offensive north of Maisky.

Army Group B:

The advancing units at the right wing of the 4th Panzer Army are under heavy enemy pressure. Attacks on the northwestern flank were repulsed. Units of the 71st Division penetrated into the town of Kalach. Enemy attacks on our positions in the Don River bend in the Kremensk area were repulsed. Serafimovich was taken by the enemy.

Central Army Group:

In the area south of Sukhinichiall attacks on the Zhizdra River sector were repulsed. Thrusts in the Rzhev area resulted in small enemy gains only.

Northern Army Group:

Attacks on the northern section of the land bridge to the IInd Army Corps were unsuccessful. The enemy succeeded in breaking through our lines at 2 places between Maluksa and Schluesselburg. The penetrations were sealed off.

2. Finnish Front:

At the 20th Mountain Army the 2nd Mountain Division took over command of the sector of the 6th Mountain Division.

A new Group "Rosi" was formed which comprises the Liinahamari defense sector and the Rybachi Peninsula front.

3. North Africa:

Enemy reconnaissance activity was lively and artillery fire was normal during 27 Aug. Air reconnaissance established that the number of motor vehicles in the area between Cairo and Wadi el Natrun was doubled and amounts now to 1,000 vehicles.

Items of Political Importance

Churchill's visit to Moscow

According to Japanese diplomatic circles Churchill's Cairo conferences with Smuts and the British generals were at least as important as his visit to Stalin. It was resolved at Cairo to make the greatest possible effort to hold Egypt and to defeat Rommel. Everything is to be done to replenish and reinforce troops and war material in Egypt as quickly as possible. The U.S.A. is also to contribute considerably to this end.

The Daily Herald demands action instead of words and is hoping for an integrated strategic plan. The British people are said to be demanding the following from Churchill:

- 1) Coordinated Allied strategy,
- 2) A definite plan for just distribution of all resources,
- 3) The abolishment of private interests on the home front,
- 4) The elimination of red tape,
- 5) Definite post-war plans so that the people need not fear that this war, like the last one, will end in a chaotic and only temporary peace.

Great Britain:

According to Reuter, Lord Mayne was appointed Deputy Minister for the Middle East in order to assist Casey.

The Food Ministry plans an extensive campaign to induce the population to eat potatoes instead of bread. Potatoes, which are produced in a quantity almost sufficient to meet the requirements of the country, must become the principal food.

South Africa:

During a talk at which the Portuguese Colonial Minister was present, Smuts emphasized the friendly relations between South Africa and Portugal.

Spain:

The periodical Africa expressed the hope that, as the result of a new world order, Spanish Africa will some day emerge as an empire.

<u>U.S.S.R.</u>:

The Polish General Anders, who held a field command in Russia after a temporary internment as a prisoner of war, declared that he believes Stalin is determined to continue the war at all costs, while many Russian politicians, particularly the "diehard revolutionists" are in favor of ending the war. However, both sides have one and the

same aim, namely world revolution.

A Bulgarian diplomat believes that the Russian masses are resigned to carry the burden of the war since they lack a clear picture of the domestic and foreign political situation. Intensive propaganda has fostered bitter hatred against Germany. The Government has the situation firmly in hand.

Diplomats of governments in exile, on their way through Portugal from Russia, declare unanimously that Comintern propaganda is on the increase and that there is no intimation that Soviet Russia is turning bourgeois. The Omsk radio station is being greatly expanded for the dissemination of subversive propaganda. For these reasons neither London nor Washington wants to crush Germany completely; they place value on maintaining Germany's war potential for the time when peace is concluded.

An article in the <u>Neue Zuericher Zeitung</u> disclosed the alleged opinions of Russian diplomats concerning future Russian demands in Europe in connection with Molotov's London agreement. For details see Political Review No. 201, paragraph 4b.

Argentina:

The Government decided to recognize Brazil as a non-belligerent.

The position of the Castillo Government has become considerably more difficult on account of the latest developments.

Conference on the Situation with the Chief, Naval Staff

- I. The Deputy to the Chief, Naval Staff Quartermaster Division took part in the landing maneuvers held in Danzig Bay under the command of the Admiral, Amphibious Forces by 2 battalions and reported that on the whole the exercises proceeded smoothly and according to plan.
- II. Referring to the appreciation of the Commanding Admiral, Submarines for the contribution of the Naval Communications Division in developing the radar search receiver, the Chief, Naval Ordnance Division, calls attention to the part played by the Naval Ordnance Division in developing this instrument.

The Commander in Chief, Navy took this occasion to express his disapproval of the way in which the Commanding Admiral, Submarines acted in this matter. It is the business of the Commander in Chief, Navy alone to express recognition for achievements in matters concerning the Navy.

III. The Chief, Naval Ordnance Division reports further about the widespread erroneous belief that naval anti-aircraft artillery is inferior to that of the Air Force. The Commander in Chief, Navy approves the proposal of the Naval Ordnance Division to submit a report correcting this impression to the Permanent Representative at the Fuehrer Headquarters and to the Naval Staff for insertion in the War Diary.

IV. The Chief, Naval Staff Submarine Division reports that the submarine repair ship KAMERUN is transferring to Narvik.

- V. The Chief, Naval Staff announces the decisions made by the Fuehrer at the conference on 26 Aug. and issues orders for their execution. See War Diary, 26 Aug.
- VI. The Chief, Naval Staff directs the assignment of a modern mine sweeper flotilla to the Commanding Admiral, Defenses, West in order to maintain adequate patrol service in the Bay of Biscay. If necessary the forces in the northern area would have to be weakened for the purpose.

In a Very Restricted Circle:

VII. The Chief, Operations Branch, Naval Staff Operations Division reports on the enemy operational order captured at Dieppe, which is being evaluated by the Naval Staff Intelligence Division. It can be clearly seen from this order that the operation was of limited scope.

See War Diary 26 Aug. regarding the suspicion that our mine-laying plans were betrayed.

VIII. See 1/Skl 1659/42 Gkdos. Chefs. for an account of Antonescu's reply to the report of the Commanding Admiral, Group South.

For copy see War Diary, Part C, Vol. XIVa.

IX. For a further report of the Chief, Operations Branch, Naval Staff Operations Division on operation "Wunderland" see Situation, Arctic Ocean. Since the SCHEER will not enter the shippard for repairs, there is no necessity to call the operation off, as long as its execution serves a useful purpose.

The Naval Staff issues the following order to Group North with copy to the Admiral, Arctic Ocean:

- l. Overhauling of the SCHEER has been postponed so that operation "Wunderland" has no longer a definite time limit.
- 2. The object of operation "Wunderland" is to attack shipping on the Arctic route, particularly in the waters of Novaya Zemlya and the Kara Sea. The only report received in this connection concerns a convoy reported by the Japanese which passed through the Bering Strait between 1 and 3 Aug. and could have reached the White Sea at the earliest 15 or 18 days later, if conditions were favorable. It is not certain, however, that the convoy was destined for the White Sea since some of the east-west traffic is bound for the Arctic ports of eastern Siberia and travels only as far as Ambarchik, Tiksi, or Nordvik. This explains why larger steamers from the east have not been reliably located so far, although other reasons may be delays en route or inadequate air reconnaissance. The Naval Staff is convinced that shipping from east to west will continue, and that there has been a regular schedule this summer from the Yenisei and the Ob to the White Sea ports. As long as operation "Zeus" is not detected by the enemy there is no reason for him to stop this traffic.
- 3. No information is available so far whether shipping is routed north of Novaya Zemlya or through the Kara Strait and Yugor

Strait. Either possibility must be taken into account. Apparently favorable ice conditions make it likely that the shorter southern route is used. The southward thrust by operation "Wunderland" which is under way may clarify this question.

- 4. Even if this operation should bring no results, it does not necessarily mean that shipping was discontinued, because ships might be sailing at irregular intervals. The waters are navigable until early October, between the Yenisei and the White Sea sometimes beyond this date.
- 5. Operation "Wunderland" is therefore to be continued for the time being unless there are indications of a threatening enemy reaction when he learns of operation "Zeus", or unless there are indications that strong enemy forces are approaching, for instance from the west. One of the principal concentrations of traffic is in the vicinity of Dickson Island, and it is left to the discretion of the commanding officer to extend the operation to this area.
 - 6. Plans are to be submitted.

The Chief, Naval Staff approves of the above.

Special Item

Descriptions of motor launch ML "306" which was captured off St. Nazaire, of small British war vessels, and of the new British motor gunboat with steam turbine drive are contained in News Analysis No. 40 of the Naval Intelligence Division, Foreign Navies Branch.

Situation 28 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to Reuter, the U.S. battleship IOWA, the keel of which was laid at the end of June 1940, was launched at the Brooklyn Navy Yard on 27 Aug.

The U.S. destroyer INGRAHAM sank in the Atlantic due to a collision in foggy weather.

Radio Daventry reports that the Brazilian Navy is to be reinforced by 25 U.S. destroyers to be supplied on a lend-lease basis. According to an intelligence report from Portuguese shipping circles empty ships are being held back not only in English ports as previously observed but also in U.S. ports. This concerns mostly large ships.

South Atlantic:

Daily Express describes the raider interfering with merchant shipping in the South Atlantic as carrying 2 or 4 motor torpedo boats of 62 tons. Her armament is given as six 20 cm guns, her speed as 20 knots. Ship "28" actually has only one PT boat.

An agent reports from the U.S. Embassy at Madrid that a U.S. aircraft carrier, probably the RANGER, will sail for Gibraltar from a West African port on 4 Sep. with 80 planes aboard.

The French radio intercept service established that British transports are being concentrated on the West African coast. The French suspect that a thrust against Dakar is planned and link this fact with the cutting of the cable from Casablanca to Dakar at a point 200 km south of Casablanca.

Indian Ocean:

According to an intelligence report originating in Budapest diplomatic circles, a U.S. convoy of 8 transports and a number of freighters sailed from Charleston under destroyer escort for Bushire in the Persian Gulf. The convoy is said to carry several thousand infantrymen with complete equipment of motor vehicles, guns and tanks, and to be the largest force to be shipped to Bushire since the arrival there 2 months ago of a full division.

Pacific Ocean:

According to a report from Tokyo, a small cruiser and 2 destroyers of the U.S. Pacific Fleet entered the Bering Strait around the end of July and will be engaged in escort duty. At the end of July or early in August 3 Russian steamers carrying lead, wool, and sugar arrived at Vladivostok from the U.S.A.

2. Own Situation:

No reports were received from our ships in foreign waters.

Enemy situation report by Radiogram 2249.

The German Armistice Commission, France reports on French ship movements by Telegrams 1215, 1300, 1753, 1915.

II. Situation West Area

1. Enemy Situation:

Air reconnaissance observed lively ship and convoy traffic in the western part of the Channel. According to photo reconnaissance 3 destroyers, 1 torpedo boat, 15 steamers, 250 barges and coastal vessels were at Southampton.

A destroyer, 2 destroyers in dock, 5 minesweepers under construction, and 3 steamers were observed at Cowes.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

A convoy for the Channel Islands was unsuccessfully bombed and strafed by low-flying enemy planes at 0226. In the afternoon several plane formations, some of them large, flew over the French coast south of Boulogne. Group North submits supplementary reports and additional information in connection with the enemy landing at Dieppe on the basis of the captured orders and experiences of naval units. For copy see 1/Skl 21231/42 Gkdos. in File "Enemy Landing at Dieppe on 19 Aug. 1942".

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

Escort and patrol activity in the area of the Commanding Admiral, Defenses, North proceeded according to plan.

Enemy air activity during the day over the German Bight. An enemy plane was shot down by a patrol vessel, another one by our fighter planes.

A detailed report was received from the Admiral, Holland about the British air raid on the Wilton Shipyard at Rotterdam on 27 Aug. For copy see Telegram 1630. In addition to sinking the COBRA, the enemy planes scored 2 direct hits on the 46,000 ton dock, which will be out of commission for several months, and 1 hit on the 20,000 ton dock, which will be back in service in a few weeks. The Wilton Shipyard's coppersmith shop is also out of commission and the shipbuilding shop was damaged.

2. Norway:

Enemy Situation:

Nothing to report.

Own Situation:

Shipping in Petsamo Fjord was shelled on 25 and 26 Aug. by an enemy battery on Rybachi Peninsula; no damage was done. The Commanding General, Armed Forces, Norway ordered a second degree alert for his entire area during the nights of 26 and 27 Aug. A first degree alert was ordered for the area of the Naval Shore Command at Molde every night from 2200 to 0700 until further notice. Convoy service proceeded according to plan.

Group North signifies its approval of the barrage plans of the Commanding Admiral, Norway for the area from Stavanger to Kristiansand South and is in complete agreement with his remarks regarding the requests of the Commanding Admiral, Fleet. Group North likewise approves the minefield planned in Alta Fjord by the Commanding Admiral, Norway. The allocation of the mines required for both projects as requested by Group North is ordered by the Naval Staff Operations Division.

The Fleet Command passed Kristiansand South in an easterly direction aboard the HELA at 1620.

Group North reported on 24 Aug. its intention to transfer the SCHEER immediately following completion of operation "Wunderland". Since the Fuehrer has ordered that the SCHEER not be sent to the Atlantic, this plan need not be carried out. Group North and the Fleet are instructed to this effect and notified that the previously ordered ship-yard overhaul of the SCHEER is postponed for the time being. The Fleet is to submit a proposal for another date for the repair after consultation with Group North.

3. Arctic Ocean:

Enemy Situation:

Air reconnaissance brought no new information.

Own Situation:

On 24 Aug. Group North submitted a survey of all mine-laying operations planned in the northern area. (See War Diary 20 Aug.)

Operation "Peter" off Matochkin Strait was begun on 23 Aug.

Operation "Zar" (ULM) began on 24 Aug.

Operation "Iwan II" and "Rurik" are temporarily postponed; instead minefield "Peter" will be reinforced.

It is planned to carry out operation "Paul" off Yugor Strait at the earliest possible date. The laying of minefields "Rasputin", "Zarewitch", "Romanow", and "Iwan I" depends on the receipt of the necessary mines and on the completion of operation "Wunderland".

Submarine U "456" was ordered, after meeting submarine U "589" to operate along the western coast of Novaya Zemlya as far south as Kostin Strait and to intercept any traffic encountered there. Submarine U "209" is to patrol Kostin Strait if she is west of 54° E, otherwise she is to remain in the Yugor Strait area.

Submarine U "589" executed operation "Peter" according to plan. At 0004 the ULM was instructed by the Admiral, Arctic Ocean to lay all minefields according to the operations order at her own discretion. So far the ULM has not reported by radio; however, the Admiral, Arctic Ocean assumes that everything is proceeding according to plan.

The SCHEER is instructed by the Admiral, Arctic Ocean to withdraw from the zone of operation by noon of 29 Aug. at the latest. The

Admiral expects that the ship will have reached about 73° N in the Kara Sea by then, unless she found other more attractive targets.

Group North disagrees with the above order and desires the extension of operation "Wunderland" and completion of the task according to the original plan, since the situation has not changed and no special dangers have arisen. The SCHEER reported her position by short signal at 79° N,60° E at 0600 and her intention to advance in the direction of Spitsbergen.

See conference on the situation with the Chief, Naval Staff for the Naval Staff's view of the situation and the directive issued.

Thereupon, Group North directed the Admiral, Arctic Ocean to carry out the operation in accordance with the order of the Naval Staff, paragraph 5. (Thrust into the waters in the vicinity of Dickson Island.)

The Admiral, Arctic Ocean informs the SCHEER that the previous time limit has been cancelled and that the operation can be extended beyond 73° N. The Admiral, Arctic Ocean assumes that the operation in the Kara Sea can be continued unless the reported intention to return was due to urgent causes; he orders the operation to be continued even if the sweep into the Kara Sea was already executed, unless the ship was discovered by the enemy, or other grave reasons make it necessary to return.

At 2045 the Chief of Staff, Group North reports by telephone receipt of a short signal from the SCHEER which indicates that the ship fired on Dickson Island. Group North assumes that this action took place some time ago, since radio monitoring yesterday revealed intensified radio communication in the Archangel area. The SCHEER will be called upon to report her position and the date of the shelling.

The bombardment changed the picture of the situation. The SCHEER's short signal is considered to be the report requested by the Admiral, Arctic Ocean. It is therefore not advisable to order the cruiser to the Kara Sea once more, since her presence has become known to the enemy through the bombardment. The cruiser is therefore to continue the return voyage.

At 2200 the Chief of Staff, Group North is informed of the above conclusion reached by the Naval Staff.

Group North thus instructs the Admiral, Arctic Ocean as follows: "Bombardment created new situation. Early enemy reaction to be expected. Therefore 'Zeus' return".

The SCHEER is instructed to report by short signal if the bombard-ment did not occur on 26 Aug. and is ordered to break off the operation and to return according to plan.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

Nothing to report from the area of the Commanding Admiral, Defenses, Baltic Sea.

One ground mine each was swept north of Swinemuende, off the southeastern tip of Ruegen, and north of Appenrade.

A_Swedish steamer reports that motor schooner WALTER sank after a mine detonation at Kriegers Flach south of the Sound.

The laying of minefields "Seeigel 23, 28, 29, and 30" in the eastern Baltic Sea had to be postponed on account of bad weather. 3 vessels were transferred to the Aland Sea for a submarine chase; they are based at Mariehamm. Escort and mine-sweeping services according to plan. The 3rd Mountain Division is being shipped to Reval instead of Finland.

Special Item:

Group North requests permission to organize a special requisitioning detachment in order to seize naval installations and equipment during operation "Nordlicht"; at the same time the Group wants to know whether operation "Nordlicht" cancels the Fuehrer's previous order prohibiting German soldiers from entering the area involved. This order would have to be relaxed.

V. Submarine Warfare

1. Enemy Situation:

Reconnaissance activity increased in the southern rendezvous area. At 1555 an enemy plane circled over a submerging submarine about 190 miles north of Cape Ortegal. According to an intelligence report from Spain, a convoy of approximately 24 steamers, a passenger ship and 2 Norwegian tankers sailed from Gibraltar in a westerly direction.

A number of submarine sighting reports were reported from off the American coast and the West Indies.

2. Own Situation:

See Situation, Arctic Ocean for operations in the north area. The North Atlantic group "Vorwaerts" is informed that an outgoing as well as an incoming convoy may be expected in its zone on 29 Aug. Contact was established with a small convoy of 3 steamers escorted by 4 destroyers in the eastern exit of Belle Isle Strait. Submarine U "165" observed 5 heavy explosions on two steamers of 500 GRT each, and heard 5 detonations in all. Due to strong defense action, the sinkings could not be observed. According to radio intelligence, Radio Ottawa announced the sinking of a ship in this area. However, the Commanding Admiral, Submarines credited the submarine with 2 sinkings.

Submarine U "605" located the spot at which steamer TROLLA (1,598 GRT) sank in quadrant BD 1674.

Submarine U "511" sank an 8,000 GRT steamer out of a convoy in quadrant EC 1298 and probably sank a 9,000 GRT tanker.

The operation of group "Bluecher" against the convoy in quadrant CF was called off. Submarine U "566" sank a 7,000 GRT steamer in quadrant CF 6315 and torpedoed a 5,000 GRT steamer; the boat was later rammed while being pursued with depth charges.

For details see supplement to submarine situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Daylight attacks with good results were made on coastal towns in southern and southeastern England.

Extensive reconnaissance was conducted in the Channel area. 21 German planes raided Sunderland during the night of 28 Aug.

2. Incursions:

300 enemy incursions penetrated as far as Frankfort on Main, Pilsen, Munich, and Strassbourg during the night of 28 Aug. Bombs were dropped on the Hallberg iron works at Saarbruecken, on Nuernberg, Erlangen, Karlsruhe, Augsburg and Munich. For damage see daily situation report.

3. Mediterranean Theater:

Nothing to report.

4. Eastern Front:

Our planes flew 2,300 sorties and shot down 65 enemy planes. Reconnaissance activity in the Black Sea, the Caspian Sea and the Arctic Ocean.

5. Special Items:

a. Complying with a request of the Naval Staff Operations Division, the Air Force Operations Staff released 12 Arado 196 planes to Bulgaria for coast patrol tasks. The negotiations are not yet completed, but the early delivery of the planes can be expected.

b. Regarding disposition of the mine-sweeping planes see 1/Skl I op 21148/42 Gkdos. in War Diary, Part C, Vol. V.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

According to the German Armistice Commission, France, the French Admiralty reported in reply to an inquiry that no unusual warships or merchant ship activity has been noticed off the coast of Morocco or off Dakar. French planes have reconnoitered as far as 1,000 miles.

According to an intelligence report from an Italian source, an important meeting of the American war council was held at Cairo. A new shipment of U.S. troops and war material is said to be expected at Suez next week. It was allegedly resolved to forego shipping through the Mediterranean, except in cases of emergency.

The convoy which sailed west from Gibraltar is escorted by 3 corvettes and 2 gunboats. An intelligence report from Spain states that the warship situation at Gibraltar is essentially unchanged. A total of 43 merchant steamers, 9 tankers and 2 passenger vessels was counted. 72 planes were in the harbor and on the airfield.

Several submarine sighting reports were sent from the central Mediterranean, for example from the southern entrance to the Strait of Otranto and north of Benghazi.

In the eastern Mediterranean a convoy of 1 steamer, 1 tanker and 3 patrol vessels on an easterly course was sighted by air reconnaissance north of Alexandria. No other shipping was encountered.

2. Own Situation, Mediterranean:

According to an Italian report, many moored mines were. located 11 miles north of the Derna lighthouse. Otherwise nothing to report.

3. Transport of Supplies to North Africa:

Considerable quantities of German supplies were destroyed on the ships reported lost or damaged on 27 Aug. Tanker GIORGIO, carrying 2,474 tons of fuel, mainly aviation gasoline, fortunately was able to reach Tobruk. The destroyer which escorted steamer CAMPERIO reports having definitely destroyed the attacking enemy submarine. It is reported that the Italian steamer PAOLINA was also damaged on 27 Aug. by a mine in the vicinity of Cape Bon and that steamer DIELPI en route from Suda to Benghazi was sunk by enemy planes.

The losses sustained during the last 2 days reached a regrettable high. The attacks of the enemy's submarines and planes have in no way abated.

1,320 tons of supplies were unloaded at Tobruk on 28 Aug.

4. Area Naval Group South:

Aegean Sea:

Destroyer HERMES returned to Piraeus from a submarine chase. High seas prevented the Air Force from checking the report of mines off Cerigotto. Due to the lack of planes, the submarine chase scheduled

by the Air Force in the same area had to be cancelled.

Enemy planes operated over Candia. Convoy service was partly curtailed by bad weather, but otherwise proceeded according to plan.

Black Sea:

Enemy Situation:

Group South reports that on 25 Aug. about 4 to 6 fast vessels were able to enter the Sea of Azov at the southern tip of Chushka Spit in spite of a hit on one of the ships scored while passing the Kerch Strait.

Own Situation:

The laying of a net barrage in Feodosyia was begun. It is planned to operate a mine-sweeping plane on the route from Mariupol to Yeisk. The harbor entrance of Temryuk is blocked by a sunken lighter, even for minesweepers. 8 new motor barges of the Danube Flotilla arrived at Sulina and are proceeding to Constanta. Due to bad weather all PT boat and subchaser activity during the night of 27 Aug. was cancelled. Convoy operations in the Black Sea proceeded without interference. A Rumanian ship struck a mine and sank in the Kilia estuary. An old influence mine was probably responsible.

VIII. Situation East Asia

According to a U.S. Navy Department communique, the Japanese surface forces seem to have withdrawn to the waters off Tulagi. The Americans expect a resumption of the offensive after the Japanese have regrouped their forces.

IX. Army Situation

1. Russian Front:

Army Group A:

Enemy air activity continued undiminished at the sectors of Army Group Ruoff. The Rumanian Division and the western wing of the V Army Corps gained 12 km. against stubborn enemy resistance. Pressure on our advancing spearheads continues. Novorossisk is under fire of our artillery. Our divisions at Baksansk and Mozdok were under heavy enemy gunfire. Most of the LII Army Corps reached the area northeast of Mozdok. The 16th Motorized Division advanced north and captured the lake area at Malyye-Derbety together with the 4th Rumanian Division.

Army Group B:

The situation south of Stalingrad is unchanged. The supply road for our forces which reached the Volga River was freed and attacks against it were repulsed thanks to the splendid support of the

Air Force. Tank attacks south of Kremensk were repulsed with particularly severe enemy losses. In the eastern section of the Don River bend and in the area west of Serafimovich the enemy made some gains. Strong enemy pressure rests on the right wing of the 8th Italian Army.

Central Army Group:

The expected general enemy offensive under the Commander in Chief of the Central Front, General Zhukov, was launched on a broad front in the area between Sukhinichi and Byelev after a strong artillery barrage and with the support of strong air forces. Thus far our infantry and artillery strongly supported by our Air Force succeeded in repelling all attacks.

Strong enemy gunfire in the area south of Vyazma. Also the expected offensive against the northern Rzhev front began at the 9th Army sector, following the most vehement artillery barrage and with the participation of large numbers of tanks; it was repulsed on the whole in spite of great enemy superiority. The large-scale attack was soon reduced to local actions which were frequently joined by our Air Force with good results.

Northern Army Group:

All enemy efforts to break through the land bridge to the II Army Corps failed. The enemy renewed his attacks southeast of Schluesselburg. Enemy forces which succeeded in penetrating into our lines were either sealed off or forced to withdraw.

2. Finnish Front:

Nothing to report.

3. North Africa:

Nothing to report.

Items of Political Importance

In the opinion of the Anglo-American press the Allied plans for an offensive in North Africa have gained new importance because of Brazil's entry into the war. The strategic importance of Dakar is stressed and it is emphasized in this connection that the fate of French North Africa depends on the outcome of the battle in Egypt. If Laval should completely comply with Germany's plans, the Allies will be forced to act quickly and forcefully. In an Argentine newspaper U.S. Admiral Woodward is also quoted as saying that the Allies will strike a surprise blow against Dakar and the Atlantic islands which they will capture in a lightening move similar to the invasion of Madagascar. These steps are necessary to protect Brazil and in order to strengthen the Allied position with regard to Spain.

Concerning the shipping situation the Swedish press reports that London circles are talking of a change in submarine warfare, due to the fact that the losses of Allied tonnage have constantly decreased since last July. This improvement is credited to the effectiveness of the anti-submarine protection, the spectacular success of the Sunderland and Catalina planes, and finally to the aerial attacks on German submarine bases and shipyards.

Commerce Minister Dalton also stressed the decreasing sinkings, but stated at the same time that the losses sustained since last March were so severe that imports must be heavily curtailed for some time to come. In June The Economist was very pessimistic with regard to the progress of American shipbuilding, which allegedly lagged 28% behind the scheduled figure of 1,000,000 tons in the first quarter of 1942. Admiral Land termed the scarcity of tonnage the most serious threat confronting the U.S.A.

A news agency report from New York discloses that maritime insurance companies have announced the first reduction in war risk insurance rates comprising 17 to 20% since the outbreak of the war in view of the continuous improvement of the convoy system.

British strategy is criticized in a noteworthy article in the 19th Century magazine which states that under the present system politics and strategy are constantly at odds and that the setup of the supreme war council is completely inadequate. For details see Political Review No. 202, paragraph 3.

Uruguay:

The German Ambassador at Buenos Aires reports that the government of Uruguay is searching for a pretext to enter the war; such an opportunity might present itself if the steamer PRESIDENTE TERRA, scheduled to sail from New York for Montevideo at the end of August, is sunk.

Special Items:

I. Several minefields (flanking barrages in northern Norway, the northern North Sea, the Strait of Sicily, etc.) offer the enemy

a relatively safe opportunity to break through due to the lack of antisweeping devices effective at water depths exceeding 100 m. The Naval Staff therefore asked the Naval Ordnance Division, Underwater Obstacles Branch for a cutter float suitable for depths of 100 to 500 m. These cutter floats will go into production at once.

Naval Groups North, West, and South, the Commanding Admiral, Norway, the German Naval Command, Italy, and the Admirals, Aegean Sea and Black Sea are notified of the above by the Naval Staff and requested to report their requirements for already existing or planned minefields.

- II. The Naval Staff issued a directive for the disposition of our fleet forces for the coming months to Groups North and West, and the Fleet, with copies to the Chief, Naval Staff Quartermaster Division, the Naval Aide to the Fuehrer, the Naval Liaison Officer to the Army High Command, and the Naval Representatives on the Air Force Operations Staff and the Army Operations Staff. For copy no. 9 of this directive see 1/Skl Ia 1674/42 Gkdos. Chefs. in War Diary, Part C, Vol. IIa.
- III. Vice Admiral Krancke, the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters, notified the Chief, Naval Staff Operations Division by telephone on 27 Aug. 1942 of the following:

The Fuehrer remarked during a conference:

- a. The creation of an independent operational Air Force has proved successful, since it gave the Supreme Command a free hand to concentrate its strength in accordance with the developments of the situation by transferring air force units rapidly to any desired zone.
- b. The aircraft carriers are a naval matter, and the organization of the air forces for the carriers should be made in close touch with the Air Force.

Situation 29 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

On 27 Aug. the Italian tanker ARCOLA (position 06° 48' N, 37° 40' W) took over the survivors of a British steamer sunk by a submarine.

South Atlantic:

In connection with the reported cutting of the cable from Casablanca to Dakar, the French cable-layer ARAGO left Dakar on 27 Aug. under protection of a French warship to make the necessary repairs in the waters off Cape Cantin.

The U.S. cruiser OMAHA and the destroyer DAVIS cancelled scheduled festivities and left Montevideo unexpectedly on 25 Aug. According to a situation report by the Commanding Admiral at Capetown, a submarine is suspected in the vicinity of St. Helena.

Indian Ocean:

The Chief of the East India Naval Station reported on 13 Aug. his intention of dispatching a ship of the India Fleet, probably a cruiser, to England for boiler repair.

2. Own Situation:

At 1957 the following short signal was received from ship "23": "Dismissed supply ship on 29 Aug. Fuel supply sufficient until 6 Dec."

The Naval Staff confirms receipt of the message by Radiogram 2201.

At 2058 the following short signal from ship "28" was received: "Position in quadrant GY 51. Shifting to South African operations area (west). Supplies sufficient for 6 months. Have used 20% of medium caliber ammunition."

The Naval Staff confirms receipt by Radiogram 2259.

The above reports confirm that operations of both auxiliary cruisers are proceeding according to plan and that the search by American warships was futile.

Enemy situation report to all ships in foreign waters by Radiogram 1708.

The German Naval Command, Italy reports the positions of the Italian tankers ARCOLA and TAIGETE on 28 Aug., and the German Armistice Commission reports the positions of the French steamers in the Atlantic. (See Telegrams 0245 and 1240.)

II. Situation West Area

1. Enemy Situation:

Air reconnaissance during the morning sighted a cruiser and 3 destroyers south of Portsmouth and in the afternoon 5 steamers in the harbor of Falmouth and a destroyer just entering port.

2. Own Situation:

Atlantic Coast:

The 3rd Torpedo Boat Flotilla arrived at Nantes. An exploratory sweep of the outer channels of the southern Bay of Biscay proceeded without particular incident.

Channel Coast:

During the night of 28 Aug. the 5th PT Boat Flotilla conducted a reconnaissance sweep of the Baie de la Seine and north of

Le Havre without success.

During the day enemy planes operated over the entire Channel area. Mine sweeper M "3606" was sunk by a direct hit during a bomber attack on Ostend; it will be possible to salvage the ship. Otherwise nothing to report.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

Enemy motor gunboat attacks on our convoys in quadrants AN 8265 and AN 8267 were successfully repulsed during the night of 28 Aug. 2 of the attacking boats were damaged. At 0700 there was an exchange of gunfire between a Spitfire and ships of the Rhine Flotilla off Flushing; both sides scored hits.

The Commanding Admiral, Defenses, North reports 11 ground mines swept off Terschelling, Borkum, and Ameland.

2. Norway:

Nothing to report from the area of the Commanding Admiral, Norway.

Special Items:

With reference to the planned minefields in the Kristiansand South-Stavanger area (see War Diary 24 Aug. and 26 Aug.) it is belatedly reported that the Naval Staff, in view of the loss of the steamers BOLTENHAGEN and GEORG L.M. RUSS, on 17 Aug. called the attention of Group North to the necessity of fighting enemy submarines off the Norwegian southwest coast with mines. Due to the importance of this measure which is to benefit primarily the safety of merchant vessels proceeding close to shore, the Naval Staff examined all objections presented by the interested parties and came to the following conclusions:

- a. Mines laid at 17 m. depth are ineffective against submarines proceeding at periscope depth.
 - b. Mines laid at 12 m. depth prevent passage of heavy ships.
- c. The chances that the enemy will locate our ships are considered equal on inner and outer routes.
- d. Cooperation with fighter planes is more difficult on the outer routes, since the planes cannot find our ships so easily as on the inner routes. An investigation will have to be made to decide whether this difficulty can be overcome by suitable measures, for instance in the field of communication, or whether fighter protection

should be done away with altogether. .

e. Ships approaching Egersund could be given more freedom of movement by widening the minefree sector. Otherwise the location as well as the type of the existing minefields seem to be satisfactory.

The Naval Staff notifies the Fleet and Group North, with copy to the Commanding Admiral, Norway, of the above comment.

As established by the Commanding Admiral, Submarines, the most favorable depth for laying mines against attacking submarines is 11 m.; the maximum depth at which mines are effective against British submarines at periscope depth is 12.5 m.

This fact, too, is brought to the attention of the Fleet and Group North, with copy to the Commanding Admiral, Norway.

3. Arctic Ocean:

Enemy Situation:

According to an intelligence report from Iceland, all except 10 of the ships lying in Hval Fjord sailed about 10 Aug. for an unknown destination. A convoy of 5 ships left Reykjavik in the morning of 24 Aug.

According to the radio intercept service, the Commander in Chief, Home Fleet repeatedly received radio messages both from Reykjavik and from England after 27 Aug. so that it may be assumed that he is at sea.

Own Situation:

The 5th Destroyer Flotilla is ordered to pick up the SCHEER.

The Naval Staff informs the Air Force Operations Staff of the termination of operation "Wunderland".

The ULM is directed by the Admiral, Arctic Ocean to withdraw to the north for about 3 days due to lack of reliable information on the enemy situation, in case the ship is not closer than 300 miles from the North Cape.

Group North consented to the step taken by the Admiral, Arctic Ocean, i.e. to withdraw the submarines operating in the Iceland area and to station them in the Bear Island passage; the Group recommends in view of the unclarified enemy situation that the submarines in the Spitsbergen area be relieved periodically. Special attention should be given to reconnoitering the shipping route from north of Spitsbergen to North East Land by a submarine.

The Naval Staff directs the Commanding Admiral, Submarines and Group North, with copy to the Admiral, Arctic Ocean, to carry out the mine-laying mission in Kara Strait with the next type X submarine becoming available in Germany and to consult one another on all details.

On 28 Aug. submarine U "209" bombarded the radio station of Chobo-varicha.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

With reference to the reinforcement of the Danish coast defenses in the manner of the Westwall, as ordered by the Fuehrer (see War Diary, 27 Aug.) the Admiral, Denmark reports that he is unable to make suggestions concerning protection against attacks from sea, because no additional coastal batteries are being placed at his disposal. With regard to the hedgehog defenses of the Frederikshaven and Skagen strongpoints, the Commanding General, Armed Forces, Denmark will be asked to take all measures required.

Otherwise nothing to report from the area of the Commanding Admiral, Defenses, Baltic Sea.

In the area of the Commander, Mine Sweepers, Baltic Sea the laying of the "Seeigel" minefields had to be postponed further on account of bad weather. Troop and leave transports proceeded according to plan.

V. Merchant Shipping

A U.S. periodical discusses the difficulties of the supply problem confronting the Allies on account of the great distances involved. A survey of this question and other information is contained in short report No. 27/42 of the Naval Intelligence Division, Foreign Merchant Marines Branch.

VI. Submarine Warfare

1. Enemy Situation:

In the North Sea a British plane attacked a submarine at 1455 140 miles northwest of Stadtland. 2 other planes were ordered to chase the submarine.

Undoubtedly the enemy is not unaware of the large numbers of operational submarines which left Germany during the last few weeks and is thus, quite logically, trying to combat them at the points where they emerge from the North Sea.

Lively reconnaissance activity in the western Bay of Biscay. A westbound submarine was reported at 1616 by a plane 220 miles

northwest of Cape Ortegal.

A number of submarine sighting reports were intercepted from off the American east coast and the West Indies.

2. Own Situation:

See Situation, Arctic Ocean for reports on operations of the submarines in that area.

Submarine U "517" sank a 2,500 GRT steamer at the entrance to Belle Isle Strait, which had previously been torpedoed by submarine U "165".

From the West Indies, submarine U "66" reports sinking steamer TOPA TOPA (5,356 GRT), en route from Trinidad to Freetown and escorted by a plane, in quadrant EO 3323. Submarine U "164" sank a 6,000 GRT steamer in quadrant EC 2728, and submarine U "509" shot at but probably missed a submarine trap in quadrant DQ 9192.

Submarine U "566" of the South Atlantic group which had been rammed and damaged was ordered to return home.

In the North Atlantic a new group "Stier" consisting of 6 submarines will form a patrol line from quadrant AL 7128 to AL 7851.

For additional reports see supplement to submarine situation in War Diary, Part B, Vol. IV.

Special Items:

a. Following a report by the Foreign Minister, the Fuehrer ordered that the permission to take war measures against Brazil granted by the Armed Forces High Command, Operations Staff on 23 Aug. is to be limited for the time being, so that submarine operations off the Brazilian harbors and inside a 20 miles strip along the coast are prohibited. A final decision about our future behavior toward Brazil will follow in about 2 weeks.

For copy of the corresponding directive of the Armed Forces High Command, Operations Staff see Telegram 1750.

b. The Naval Staff Operations Division submitted to the Naval Representative on the Air Force Operations Staff the map shown the Fuehrer by the Commander in Chief, Navy on the occasion of his report on 26 Aug. This map shows the activities of the British air forces in the southern rendezvous area. At the same time the Naval Representative on the Air Force Operations Staff was notified that the Commander in Chief, Navy once more informed the Fuehrer of his conviction that it is necessary to assign He 177's to the operations in the Atlantic, and that the Fuehrer agreed with this opinion without making a definite promise. See 1/Skl Ia 20970/42 Gkdos. in War Diary, Part C, Vol. V.

VII. Aerial Warfare

1. British Isles and Vicinity:

Fighter bomber attacks were carried out during the day on towns in the south of England and on ships in the Channel. A 5,000 GRT steamer was sunk in the harbor of Falmouth and 2 escort vessels were damaged off Dungeness.

2. Incursions:

There were 73 enemy incursions from the east during the night of 29 Aug., 70 of them penetrating into Germany and reaching as far as Grodno, Breslau, Dresden, Berlin, and Stralsund. Bombs were dropped on Koenigsberg and 17 towns in East Prussia; at Berlin on the suburbs of Friedrichsfelde, Neukoelln, and Schoeneberg. No enemy planes were shot down.

3. Mediterranean Theater:

A destroyer north of El Daba was damaged during an air attack. Otherwise only escort and reconnaissance activity.

4. Eastern Front:

53 enemy planes were shot down at the various Army sectors. The harbors of the eastern Black Sea were reconnoitered.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

According to an intelligence report from Spain, 2 battleships and 5 destroyers entered the harbor of Gibraltar in the afternoon from the west. According to an Italian report the battleships are the MALAYA and the RESOLUTION. Radio monitoring indicates that they are the ships which were northwest of the Cape Verde Islands and west-northwest of Freetown in the evening of 25 Aug. An Italian report states that 14 blacked-out ships on an easterly course were sighted at midnight on 29 Aug. in the Strait of Gibraltar.

An intelligence report from Spain, based on a British source at Tangier, states that a major convoy is going to sail through the Strait of Gibraltar in the night of 29 Aug. with British and American troops and war material for Malta and Alexandria. The source is said to be a trustworthy agent who has proved his reliability in such matters.

4 destroyers fired on the coast near El Daba in the early morning hours. Air reconnaissance spotted the force on an easterly course west of Alexandria. One of its destroyers was damaged in an air attack and was in tow.

In the evening radio monitoring intercepted messages from British planes which shadowed Axis convoys in the area between Greece and North Africa and reported successful attacks on them.

2. Own Situation, Mediterranean:

During the night of 28 Aug. Tobruk was heavily attacked from the air; no damage occurred in the harbor. The bombarding of the coast near El Daba was ineffective.

3. Transport of Supplies to North Africa:

The sinking of steamer DIELPI (see War Diary 28 Aug.) caused the loss of 512 tons of German supplies for the Armed Forces.

Otherwise nothing to report on the transport situation.

Special Items:

The Naval Staff brought to the attention of the German Naval Command, Italy the directive of the Armed Forces High Command, Operations Staff issued to the German General attached to Headquarters of the Italian Armed Forces with reference to the effective mining of the Strait of Sicily (see War Diary 14 Aug.). In this connection the Naval Staff remarked that the experiences with the latest convoy at the middle of August proved that the minefields there offer no obstacle to enemy movements and that it must therefore be attempted to increase their effectiveness. To this end the mines must not only be laid closer together, but ways must also be found to render their sweeping more difficult. This can be tried by using deeper influence mines and anti-sweeping devices. It is being investigated at present whether cutter floats for greater depths can be provided.

The Naval Staff inquired about the effectiveness of the minefield off Cape Bon (see War Diary 27 Aug.); in its reply the German Naval Command, Italy reports that reconnaissance gives no clear picture about the enemy's actual route. There are indications that he may have passed directly off Cape Bon, that is within French territorial waters, then proceeded within these waters as far as quadrant CN 2197, and from this point headed directly for Malta. The same route may have been used for the return. According to reconnaissance photos, the destroyers proceeded north of Bizerte with paravanes. The above route crosses the newly-laid Italian minefield. The Italian assertion that 3 steamers struck mines in this field has not been confirmed so far. The minefield was laid out in the right place in order to close the gap of the existing barrage system.

The Naval Staff is convinced that effective sealing of the French territorial waters is still of paramount importance. The weakness of the Italian alarm minefield was its lack of anti-sweeping devices. The Naval Staff calls the attention of the German Naval Command, Italy to the necessity of laying several rows of cutter floats, prior to the laying of a planned new alarm minefield.

4. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

Air reconnaissance observed lively convoy traffic off the southeast coast in the early forenoon. 5 southbound convoys, each consisting of one escorted steamer or tanker, were sighted between Tuapse and Poti, all of which were under the protection of a remote escort formed by the KRASNY KRIM and 2 destroyers. Photo reconnaissance of Poti at 0623 disclosed the presence of 1 battleship, 1 battleship hull, 2 heavy cruisers, 1 training vessel, 4 destroyers, of which 2 were in dock, 1 torpedo boat in dock, 11 submarines of which 2 were in dock, and 17 steamers.

Own Situation:

Minesweeping operations of the Crimean Mine Sweeper Group and the Naval Special Duties Detachment off Varna proceeded according to plan.

Attempts are being made to blow up the wreck blocking the entrance of Temryuk harbor. German motor minesweepers were fired upon in the afternoon of 28 Aug. off Temryuk by an enemy coastal battery without result.

The first remote clearance group of the Danube Flotilla is scheduled to transfer from Feodosyia to Genichesk through the Kerch Strait during the night of 29 Aug. So far no report about the progress of this operation has been received.

Special Items:

- a. The urgent warning given by Group South regarding the inadequate capacity of the Salamis base (see War Diary of 24 Aug.) confirmed the opinion of the Naval Staff that the strategic development in the Mediterranean requires that something must be done without delay about the submarine base at Salamis. The matter has been taken up by the Naval Staff Submarine Division with the cooperation of the Naval Staff Operations Division. For copy see 1/Skl 20833/42 Gkdos.
- b. In accordance with an order by the Commander in Chief, Navy given in compliance with a Fuehrer directive, the Naval Staff Submarine Division was instructed by the Chief of Staff, Naval Staff to increase to 6 the submarines to be transferred from Germany to the Black Sea. 3 additional submarines are thus to be prepared for transfer.

IX. Situation East Asia

Reports from Chungking assert that Chiang Kai-shek's forces have recently fought successful operations against the Japanese in the Chekiang and Kiangsi Provinces and recaptured Chuksien, Siu-Kiang, Likitan, Tuchang and Yuantang.

Allied Headquarters in Australia announces that the operation of the land forces at Milne Bay is growing in scope.

X. Army Situation

1. Russian Front:

Army Group A:

The western group of the 5th Army Corps is advancing in the direction of Anapa. Due to bad road conditions the heavy artillery cannot follow the troops. Enemy attacks out of Novorossisk and Tuapse were repelled. Our mountain divisions are fighting for the passes north of Sukhumi. The enemy is pressing heavily from the south and southwest against the expanded bridgehead south of Baksan at the western wing of the 1st Panzer Army. Strong enemy resistance is encountered north of Maisky, too. Northeast of Grozny parts of the 13th and 23rd Panzer Divisions advancing in a southeasterly direction encountered strong enemy forces holding the southern bank of the Terek River.

Army Group B:

Units of the division advancing toward Astrakhan made contact with the enemy for the first time at Chalchutea. Other units of the same division blocked the lake area south of Malyye-Derbety. Divisions of the 4th Panzer Army succeeded by a surprise attack in a northerly direction in reaching the southwestern bend of the Volga-Don Canal. Together with divisions of the 6th Rumanian Army Corps they are carrying the attack to the north and southwest to protect the western flank. Enemy pressure north of Stalingrad continues. Renewed attacks in the Don River bend south of Kremensk are expected. Italian cavalry reports the arrival of strong enemy forces also south of the Khoper River estuary.

Central Army Group:

In the area south of Sukhinichi the enemy supported by ground attack planes, attacked on both sides of the highway from Tula to Mtsensk following a heavy artillery barrage. All attacks were repulsed. Other violent continuous attacks in the areas southwest of Kaluga were repulsed with the effective assistance of our Air Force. An enemy thrust east of Vyazma was turned back by gunfire. All enemy attempts to push back our lines south and north of Rzhev failed.

Northern Army Group:

Enemy attacks on the Soltsy bridgehead were repulsed; south of Voronovo enemy forces which succeeded in penetrating into our lines on a narrow front were sealed off.

2. Finnish Front:

The relief operation at the 20th Mountain Army prompted lively activity of enemy assault detachments.

3. North Africa:

Strong enemy bomber attacks were made during the night of 27 Aug. on our southern front sector. Lively enemy harassing gunfire and reconnaissance activity during the day. The enemy continued to dig in at the northern and central sectors. As reported by the Air Commander, North Africa, some of the enemy day fighter and pursuit planes were withdrawn on 24 and 25 Aug. to the air bases along the Suez Canal.

Items of Political Importance

A detailed discussion of Allied interests in West Africa and a survey of recent British and American statements on the industrial and shipping situation are contained in Political Review No. 203, paragraphs 1 and 2 of the Naval Intelligence Division.

Vichy denies Reuter's assertions that Laval's conferences with Admirals Darlan, Platon, and Auphand were devoted to the question of the possible use of the French fleet and that Dakar serves as a base for German submarines and surface forces.

The Turkish press also denies the report that the French and Turkish governments are negotiating the sale of the French warships at Alexandria. Rather the negotiations concerned the transport of American grain on French ships under the French flag.

The enemy landing at Dieppe is the subject of a lengthy statement by the Armed Forces High Command based on a captured British operations order. It is meant to prove that the operation of 19 Aug. was not of limited tactical scope but was planned as a large-scale invasion attempt.

The Naval Staff has already defined its views of the political and military aspects of the operation (see War Diary 20 Aug.). In its opinion, these views are confirmed by a study of the enemy operations order, of which an excerpt was submitted today by Group West. assumption that the enemy's principal aim was to deal a severe blow at the German coastal defenses in the west area is supported and emphasized by the enemy's plan to capture, if possible, the entire divisional staff of the Dieppe sector. This was to create confusion in the higher commands and seriously upset our defense plans. This aim could very well have been achieved with the forces engaged if the surprise element had been maintained, but these forces were the absolute minimum required for such an operation. It is impossible to believe that the enemy's plans went beyond this goal, unless we are to accuse him of seriously underestimating our defenses and the forces needed and this is hardly possible. Even if the convoy observed at the time had been carrying troops for the operation, the most the enemy could have hoped to do was to establish a bridgehead in the Dieppe area, which could not have held out longer than a few days in view of our available reserves. Any other conclusion, as indicated previously, would be justified only if landings had actually been undertaken simultaneously in several coastal sectors and airborne forces had been dropped behind our lines. There are no indications of such intentions, however. These facts notwithstanding, the Naval Staff is still of the opinion that the Dieppe operation constitutes a serious reverse for the enemy in view of its implications with regard to the establishment of a second front and considering the Moscow conferences which have just been concluded. The military setback is evident from the fact that the planned objectives were not attained in spite of very grave losses. It is difficult to evaluate the exact nuisance effect to us, but it can hardly be denied that a certain degree of damage was done. Without going into details it consists in the recognition by our high commands that very considerably manpower and material must be transferred from the eastern campaign to the west and north areas. This is evidenced by the latest directive concerning reinforcement of our entire coastal defense

system along the lines of the Westwall.

The Naval Staff is unaware of the reasons which caused the Armed Forces High Command to evaluate the operation as it did in the release of 30 Aug. (Tr. N.: The rest of this paragraph was crossed out by the Chief of Staff, Naval Staff on 11 Sep. 1942.) Probably apart from convincing public opinion on both sides that future invasions are useless, it was hoped to use the events of 19 Aug. to justify the fact that considerable forces are committed in the west and north areas and are withdrawn from the east.

In order not to lessen the desired effect, it is self-evident that the commands involved must adhere to the chosen course. This explains why the Permanent Representative of the Commander in Chief, Navy at Fuehrer Headquarters stated that the study of the enemy's operations orders actually led to the published conclusions. Thus the announcement of the Armed Forces High Command retains the effectiveness needed to accomplish its purpose.

Situation 30 Aug. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

Reuter reports that conferences took place in Washington concerning the coordination of Allied military communications.

According to Japanese reports, the Brazilian Government vainly asked the Portuguese Government for the use of the Azores for the duration of the war.

This report does not sound very credible in view of Brazil's indecision with regard to active and aggresive warfare.

According to Radio Daventry military authorities of Uruguay and Brazil conferred about Uruguay's active participation in U.S. and Brazilian defense plans.

Indian Ocean:

According to the radio intercept service the commander in chief in the Indian Ocean suggested to the Admiralty that convoys to the Middle East and the Persian Gulf be designated by the letters AP. Convoy AP 1 consisting of 3 ships, proceeding at a speed of 17 knots to Simons Town, was located at 35°S, 33°E.

2. Own Situation:

At 2057 ship "10" reported by short signal: "Dismissed supply ship in quadrant KT 57."

Thus the 3rd auxiliary cruiser within 24 hours has also given a reassuring sign of life.

The Naval Staff confirms receipt of the message by Radiogram 2152.

Enemy situation report to all ships in foreign waters by Radio-gram 0325.

II. Situation West Area

1. Enemy Situation:

It is learned from the Naval Attache at Buenos Aires that according to a map in the possession of the British Naval Attache, invasion barges and tugboats are concentrated at Topsham near Exeter, besides those at Eastbourne.

Air reconnaissance reported no shipping in the British Channel but observed mine-sweeping activity between Dover and Beachy Head during the afternoon.

2. Own Situation:

Atlantic Coast:

Nothing to report on the naval situation.

As a result of conferences with Group West, the 4th Coastal Patrol Force, and the captains of the blockade-runners UCKERMARK and WESERLAND, the Naval Staff Operations Division, Merchant Ships reports that since ships are located easily by planes during the night and moonlit nights are more favorable for anti-aircraft defense, it is suggested that the Naval Staff no longer insist that blockade-runners use the new moon period to break through, but recommend to the Group that the breakthrough of the blockade-runners should rather be made solely dependent on the convoy situation.

In complying with this suggestion Group West is informed that the Naval Staff does not insist on the new moon period and that the date for blockade-running attempts is to be determined primarily by weather conditions and the convoy situation, independent of the moon phase.

Channel Coast:

Mine-laying operations of the 2nd, 4th and 5th PT Boat Flotillas are scheduled for the night of 30 Aug. Otherwise nothing to report.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

Convoy and patrol services according to plan. 2 mines were swept by mine-exploding vessels in the area of the Commanding Admiral, Defenses, North.

2. Norway:

Enemy air activity is reported in the Bergen area on 29 Aug. and off Lister on 30 Aug. Otherwise nothing to report.

3. Arctic Ocean:

Enemy Situation:

Air reconnaissance reported 15 coastal vessels at Iokanga on 29 Aug. On the same day 5 steamers and 4 minesweepers were observed proceeding on a northerly course off Kanin Nos. On 30 Aug. 5 steamers and 3 patrol vessels were sighted on an easterly course west of Kanin Nos.

No tactical information was obtained from reconnaissance conducted from 0530 to 1720 in the area between Iceland and Jan Mayen as far as the east coast of Greenland.

Own Situation:

At 0013 cruiser SCHEER reported to the Admiral, Arctic Ocean:

"a. According to statements from war prisoners and our observations, convoy shipping from Vilkitski Strait to Dickson Island generally uses the inner coastal route and the passage between the Norden-skioeld Archipelago. This fact is important for submarine operations. Convoys are escorted by heavily armed ice breakers. A convoy was observed anchored in Vilkitski Strait at the latitude of Hansen Island close to shore with the wind from the east.

(The Naval Staff is unable to identify Hansen Island, only Nansen Island.)

"b. I recommend that the Nordenskioeld passages, the inner and outer coastal shipping lanes, the northern Yermak Bank, and the coastal route south of the Nena Islands (principal island Krakovka 75° 42' N, 88° 40' E) be mined immediately. In my opinion such a follow-up of operation "Wunderland" offers the possibility of paralyzing maritime shipping to Siberia during the summer. I do not hesitate to recommend sending on this mission a fast minelaying vessel equipped with ship-borne planes."

The Admiral, Arctic Ocean orders the SCHEER to report whether the single ship located by submarine U "255" in quadrant AF 8260 on 27 Aug. could have been the SCHEER.

At 0411 submarine U "456" reports being pursued by a search group of 4 destroyers in quadrant AT 7256.

At 0339, cruiser SCHEER informs the Admiral, Arctic Ocean as follows:

"a. Sank icebreaker ALEKSANDER SIBIRYAKOV off Vilkitski Strait.

"b. Raided shipping center Dickson Harbor during night of 25 Aug.; entered roadstead, severely damaged icebreaker TAIMYR and a 5,000 GRT tanker during ensuing gunbattle. The latter probably exploded subsequently. Main radio station, lighthouse with direction finder, and signal station destroyed. Observed severe damage, detonations and widespread fires in harbor installations and town. A hitherto unknown 13 cm. coastal battery participated in the action."

In reply to the inquiry of the Admiral, Arctic Ocean (see above) the SCHEER reports her position at the time in question as 20 miles southeast of that of submarine U "255". The SCHEER assumes that the submarine must have sighted either the ULM or a single enemy ship, since conditions in this area are particularly favorable for single ships.

The Admiral, Arctic Ocean reports the successes of the "Wunderland" operation by Telegram 0955.

The 5th Air Force reports the exact positions of the 10 mines dropped off Archangel on 29 Aug. by Telegram 1135.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to radio monitoring, Moscow announced the return of a Russian submarine to base following the alleged sinking of 4 ships in the Baltic Sea.

2. Own Situation:

Nothing to report from the area of the Commanding Admiral, Defenses, Baltic Sea.

3 mines were swept west of Ruegen.

Group North expressed agreement with the Admiral, Denmark regarding the reinforcement of the coastal defenses (see War Diary 29 Aug.).

According to an oral report from the Naval Attache at Stockholm, the Swedish Navy reported that an unsuccessful submarine attack was made in the Aland Sea on a westbound convoy at 0830.

Transports and convoys in the area of the Commander, Mine Sweepers, Baltic Sea proceeded according to plan. The 1st and 2nd sections of the special Irun transport (3rd Mountain Division) is under way to Reval.

Group North protests against the interference with the authority of the convoy commander by the Naval Attache at Stockholm, who ordered the Irun squadrons stopped off Trelleborg because they proceeded without Swedish escort. The matter is being investigated by the Naval Staff.

An enemy submarine in the entrance of Irbe Strait was attacked with depth charges. The laying of the "Seeigel" minefields had

to be postponed again due to bad weather.

V. Submarine Warfare

1. Enemy Situation:

Lively reconnaissance activity of the 15th and 19th Air Force groups. 24 planes were observed over the Bay of Biscay. Planes reported in the early afternoon a westbound submarine 240 miles northwest of Cape Vilano and a submarine on a southerly course south of the Faeroe Islands.

A report of a submarine attack was intercepted from the area east of Trinidad. Submarine sighting reports were sent from the northern exit of Belle Isle Strait and the Gulf of St. Lawrence.

2. Own Situation:

See Own Situation, Arctic Ocean for operations of the Norwegian submarine group.

2 submarines are ordered to operate off Lisbon. They are to observe the 3 mile limit strictly, and to take care not to be detected.

The second weather buoy laid at Porcupine Bank by submarine U "516" is apparently out of commission. Following an 18 hour chase the boat sank the 10,600 GRT tanker JACK CARNES in quadrant CE 2659. She carried ballast. 7 shots were required to finish her.

2 submarines operating off the American coast receive permission to enter the St. Lawrence Gulf through Belle Isle Strait at their discretion if moonlight conditions are favorable.

In the West Indies a 9,000 GRT tanker was sunk in quadrant ED 9923 by submarine U "564". Submarine U "66" sank a 4,500 GRT steamer and steamer SIRE JUAN (5,200 GRT). Submarine U "162" sank the steamer STAR OF ORANJE (7,735 GRT).

No reports were received from the submarines operating in the Freetown area or from Group "Eisbaer".

For additional reports see supplement to submarine situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report.

2. Incursions:

Only a few enemy planes penetrated into the occupied

territories.

3. Mediterranean Theater:

Nothing to report.

4. Eastern Front:

Operations by 2,000 of our planes resulted in 92 enemy planes shot down by fighters and 16 by anti-aircraft artillery. Reconnaissance activity in the Black Sea, the Gulf of Finland and the Arctic Ocean.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

A large loaded U.S. tanker arrived at Gibraltar on 29 Aug. and a destroyer on 30 Aug., both from the Atlantic. According to an intelligence report from Spain, 2 battleships, 2 cruisers, one of which was in dock, 1 auxiliary cruiser, 6 destroyers, at least 6 submarines, 24 steamers, and 10 tankers were in Gibraltar harbor at 1430. 74 planes were in the harbor and on the airfield.

The 14 blacked-out ships reported on 29 Aug. passing through the Strait of Gibraltar on an easterly course have not arrived at Gibraltar, and were not located anywhere in the western Mediterranean. The report must be considered doubtful.

Air reconnaissance sighted few ships in the eastern Mediterranean between Port Said and Haifa. A small British detachment tried to land on Cerigotto Island; the attempt was repulsed without difficulty according to an Italian report.

2. Own Situation, Mediterranean:

The damaged destroyer which was observed being towed toward Alexandria on 29 Aug. was not torpedoed by planes, but, as reported by the Italians, by an Italian PT boat off El Daba.

3. Transport of Supplies to North Africa:

During the night of 29 Aug. the escorted steamer GUALDI was unsuccessfully attacked by enemy planes while proceeding from Taranto to Tobruk. Steamer ARMANDO which ran aground off Calivia on 27 Aug. was refloated and continued to Tripoli. On 30 Aug. at 1416 the Italian tanker SAN ANDREA was torpedoed and set afire off Cape San Maria di Leuca by enemy planes despite her strong escort. At 1300 enemy surface forces attacked a convoy of naval barges proceeding from Marsa Matruh to Tobruk. Details of the incident have not yet been received.

Supply traffic from Italy and Greece to North Africa and African coastal shipping proceeded according to plan.

4. Area Naval Group South:

Aegean Sea:

Destroyer HERMES escorted the tanker OSSAG from Candia to Suda and subsequently arrived at Piraeus. A search of the Cerigotto area for suspected mines was carried out by the X Air Corps without result so far. It is planned to continue the search with subchasers equipped with search gear. Convoy traffic in the Aegean Sea proceeded according to plan.

Black Sea:

Enemy Situation:

Air reconnaissance at noon of 29 Aug. observed an unescorted tanker headed for Kerch Strait northwest of Anapa, an anchored steamer west-northwest of Novorossisk, and patrol vessels off Tuapse. At noon of 30 Aug. lively convoy traffic between Tuapse and Poti and movements of single steamers were observed. The ship situation in the harbor of Poti is essentially the same as before. The hull of a heavy cruiser has been added. A Bulgarian coast guard station reported sighting a periscope south of Akhtopol.

Own Situation:

The remote clearance group, including motor minesweeper R "35", passed through Kerch Strait en route to Genichesk during the night of 29 Aug. 2 Italian submarines sailed on 29 Aug. from Constanta via Sulina for a submarine chase off the Bessarabian coast. In the morning of 30 Aug. 2 Italian subchasers left Sulina in an easterly direction. Transport service in the Black Sea proceeded according to plan without major incident. The transfer of the Italian motor boats from Feodosyia to Yalta has been ordered; they will be overhauled and made ready to be shipped to the Caspian Sea via Mariupol and Rostov.

The situation in Temryuk harbor permits at least 5 naval barges to be accommodated at the other side of the wreck even in bad weather. 200 m. docking space is available inside the harbor. The harbor itself and the harbor entrance are reported to be free of mines. Engineers are trying to widen the channel of the entrance to 12 m. by removal of the wreck.

Special Items:

a. The Naval Liaison Officer at the Army High Command suggested to Group South and to the Commander in Chief, Navy that an admiral be assigned as commander in the Caspian Sea. Group South objects to this plan for the reason that it is useless to set up new staffs so long as existing ones suffer from lack of personnel. (This refers to the fact that no chief of staff has been appointed to the Admiral, Black Sea.) The Group points to the existing plan according to which the Admiral, Black Sea is to move his field headquarters forward after fighting in the Black Sea has ended, and is to occupy himself more and more with the operational tasks of the Caspian Sea. The Quartermaster Section of the Admiral, Black Sea will be able to handle all tasks with 2 experienced naval shore commands. In the Group's opinion one naval

shore commander working under the direction of the Admiral, Black Sea will be able to take care of the necessary tasks in the meantime, particularly since it will be some time before naval forces can be transported to the Caspian Sea, due to incomplete railroad connections. Until then the naval shore commander can handle only coastal tasks. Even if naval missions in the Caspian Sea should arise before warfare in the Black Sea has stopped, the Group is convinced that, in view of the few combat forces involved, the naval shore commander will certainly be able to handle matters, possibly with the assistance of a specially assigned staff officer. The whole matter is in the Group's opinion not urgent enough to justify organizing a new staff at this time.

The Naval Staff shares the Group's viewpoint. The Naval Staff Quartermaster Division will attend to this matter.

b. See Telegram 1250 regarding preparations of Group South for the organization of radio intelligence and direction finding services in the Caspian Sea.

With reference to the negative attitude of Naval Group C. South toward the plan of the Chief Quartermaster, Black Sea to charge the Navy with all maritime shipping problems in the Black Sea (see War Diary 27 Aug.), the Naval Liaison Officer to the Army High Command submits the comments of the Quartermaster General. His opinion differs from that of Group South, and he states that military transports will not decrease after fighting has stopped in the Black Sea; on the contrary, they will have to be increased considerably. The Supply and Transportation Office of the Armed Forces Overseas reports that 200,000 tons of supplies are scheduled to be shipped during the first month after shipping to Batum is resumed, and 150,000 tons for each following month. To these must be added 50,000 tons per month for the Air Force and 25,000 tons for the Navy. The demand that the entire sea-going tonnage in the Black Sea be taken over by the Navy was already made on 27 Aug. during a conference with the Supply and Transportation Office of the Armed Forces Overseas. It is the Quartermaster General's opinion that the Navy cannot be excluded from supply transport duties as long as operations in the Caucasus area are in progress. The Supply and Transportation Office of the Armed Forces Overseas was called upon to supply all required shipping space immediately and it requests that the Navy, too, do everything within its power to provide shipping space for the Black Sea and to increase the transshipping capacity of the Rumanian and Bulgarian ports.

The matter is being taken care of by the Naval Staff Quarter-master Division.

VIII. Situation East Asia

The German Admiral at Tokyo reported that the enemy seized the airfield being built by the Japanese on Guadalcanal, which at this time is usable only for fighter planes. Consequently it must be expected that some of the Japanese transports which

were to bring up reinforcements will be lost. Fighting is still in progress.

The U.S. Navy Department announced officially that a large Japanese destroyer was sunk and another one probably sunk by U.S. planes on 27 Aug. off Isabel Island.

According to Reuter, the Japanese succeeded in landing some reinforcements in Milne Bay on New Guinea.

Reuter published a detailed communique of the U.S. Navy Department about the U.S. operation in the Solomon Islands between 7 Aug. and 23 Aug. For details see supplement to Foreign Press Report No. 203.

IX. Army Situation

1. Russian Front:

Army Group A:

Artillery fire from both sides in the Kerch area. Rumanian forces are advancing on Anapa. Enemy attacks from the direction of Novorossisk are abating. The heights of Maruchski Pass were captured. Attacks on parts of the 1st Panzer Army at Baksan and north of Maisky were repelled. Our advance in the Baksan sector is making slow headway against strong enemy pressure. Also north of Grozny enemy resistance is strong.

Army Group B:

Fighting flared up in the Chalchutea area. Advanced scouting troops reached the railroad connecting Astrakhan with the south. A bridgehead across the Volga-Don Canal was established after enemy resistance was broken. The situation north of Stalingrad is unchanged. Enemy attacks at both banks of the Khoper River mouth were repulsed.

Central Army Group:

Enemy attacks southwest of Kaluga and north of Kirov subsided somewhat. An enemy attack at Zubtsov in the Rzhev area was repulsed. A penetration south of Voronova required countermeasures, and parts of the Grossdeutschland Division were thrown into the battle. An enemy thrust northwest of Rzhev failed.

Northern Army Group:

Enemy attacks on the land bridge to the 2nd Army Corps and against the bridgehead south of Soltsy were repulsed. Voronova was lost to the enemy.

2. Finnish Front:

The enemy reinforced the defenses on the shore of Lake Ladoga north of Schluesselburg. It has been established

that 2 partisan brigades were organized at the northern sector of the Finnish front containing a demolition battalion recruited from the population. Increased enemy supply traffic was observed at the Murmansk sector.

3. North Africa:

No situation report of the Panzer Army, North Africa has been received up to now.

Items of Political Importance

Great Britain:

Lifting of the ban on the <u>Daily Worker</u> and <u>The Week</u> caused lively discussions inside and outside of Britain about the role of communism in Great Britain's political life. Undoubtedly this measure is one of the fruits of the Moscow conferences. Even conservative British newspapers hail the liberalism shown by the decision of the government.

Swedish newspaper correspondents report that England, too, is harvesting the richest crop in many years.

Iran:

The Vichy Telegraphic Service (Ofi) reports that a state of siege has been declared for the entire country.

U.S.A.:

The former Ambassador to Tokyo, Mr. Grew, warned of underestimating Japan.

France:

According to the Official German News Agency (DNB), Petain stated in a speech that he and Laval will carry through the national revolution in order to build a new France.

Conference on the Situation with the Chief, Naval Staff

I. Report of the Chief, Communications Division, Naval Staff:

- a. We notified the Japanese Navy about the information held by the enemy concerning the disposition of Japanese naval forces as disclosed by our radio decoding and monitoring services. The enemy's findings were apparently correct to a degree which prompted the Japanese Navy to change its code immediately.
- b. Some time ago Reichsmarschall Goering told the Chief of Communications Division, Air Force that he would consent to an extensive production program for radar sets. Thereupon the Air Force and the Navy jointly worked out a large-scale program, 80% of the output of which was to go to the Air Force; it was planned, for instance, to equip 19,000 planes yearly. This program has now been rejected by the Reichsmarschall as not feasible, so that it is necessary to draft a new curtailed program.

II. Report of the Deputy to the Chief, Quartermaster Division, Naval Staff:

- a. Battery "Tirpitz" remains at Constanta for the time being.
- b. Concerning the anti-aircraft defenses of Gdynia and the practical and successful use of the smoke screen system during the latest enemy air raid.

c. Proposal to install degaussing gear on cruiser EMDEN, now that the overhaul period of the SCHEER has been postponed, since the Naval Construction Division believes it is possible to continue the naval cadet training course during the 8 weeks ship-yard period at Wilhelmshaven.

The Chief, Naval Staff agrees with this.proposal.

In a Very Restricted Circle:

- III. The Chief, Operations Branch, Naval Staff Operations Division reports on the outcome of operation "Wunderland" as recorded in Situation, Arctic Ocean.
- IV. The Chief, Naval Staff is informed about the present fuel oil supply of the fleet, which is comparatively ample at the present time. He desires that an operation similar to "Wunderland" be considered or planned for the cruiser HIPPER, calling attention to the psychological effect on the crew.
- V. The Chief, Operations Branch, Naval Staff Operations Division reports on the following:
- a. Concerning the transfer of ship "45" from Germany to a port of departure in the west area: Group West suggested that ship "45" not be transferred to the west area through the Kaiser Wilhelm (Kiel) Canal but rather through the Skagerrak and the North Sea, stopping first in a southern Norwegian port. Northern Norway should be given as her official destination in order to maintain secrecy by cutting the shore contacts of the crew at an early date and misleading the crew as well as all shore authorities concerned. To this end the Naval Staff is to issue a new operational order for cruiser warfare in the Arctic Ocean. From the southern Norwegian port the auxiliary cruiser will then be ordered to Wilhelmshaven by way of the North Sea, supposedly because of engine trouble. After leaving Norway the ship is to assume a new name, be repainted in the Suederpiep, and then join a westbound convoy of the Commanding Admiral, Defenses, North. To motivate the change in plans, the Group suggests stating that the presence of 3 auxiliary cruisers in foreign waters and similar Japanese activity have crowded the zone of operations to such an extent that a fourth auxiliary cruiser is superfluous for the time being.

The Naval Staff has strong objections against routing the ship by way of this long detour through the Baltic Sea entrances, the Skagerrak, and the North Sea on account of the great danger of ground mines.

The Chief, Naval Staff shares this opinion.

b. Concerning disposition of the 6th PT Boat Flotilla: Since it can be anticipated that this flotilla will be ready for operations between the middle and the end of September it is necessary to decide about its assignment. The Naval Staff believes that there is at present no good reason for complying with Group North's request to transfer the flotilla to the east area, since there are so far no indications that the Russian fleet will attempt

a breakthrough from Leningrad. The Chief, Naval Staff agrees with the following directive to Group West and the Commander, PT Boats (copies to Group North and the Fleet).

- "(1) The 6th PT Boat Flotilla will be put at the disposal of Group West (Commander, PT Boats) for assignments in the west area.
- (2) In case the situation in the Gulf of Finland should take an unforeseen turn, the flotilla may have to be transferred there temporarily.

(3) Therefore:

- (a) Preparations for a possible transfer to the Gulf of Finland are to be continued.
- (b) The 6th PT Boat Flotilla will for the time being be stationed in the Dutch area and operate from there. A transfer to the Channel is subject to special permission of the Naval Staff."
- c. In order to fill Group West's need for additional up-to-date patrol and escort forces, it is possible not only to reinforce the 3rd Torpedo Boat Flotilla, as already reported, with torpedo boats T "18" and T "19" which are scheduled to sail for the west area on 13 Sep., but also to assign the 4 ships of the 5th Torpedo Boat Flotilla. These ships will be ready for operations at the beginning or middle of September and require a short training period only, so that they will be available to the Group in the first days of October. The shipyard overhaul of torpedo boats T "4" and T "10" can be delayed until the other vessels arrive. Group West will thus have available 6 torpedo boats beginning on 13 Sep. and 8 after the beginning of October. As reported over the telephone by Group West, the allocation of the 5th Torpedo Boat Flotilla would make it unnecessary to allocate a modern minesweeper flotilla.

The Chief, Naval Staff agrees with the above measures.

d. Concerning the use of amphibious craft and Siebel ferries in an offensive by Army Group B from Stalingrad toward Astrakhan. As reported by the Naval Liaison Officer to the Army High Command, Army Group B requested the above-mentioned craft to support the advance and to protect the flanks for this operation, which is expected to take about 10 days. The Army Group was informed by the Liaison Officer that the amphibious craft are to be moved to Makhach Kala for operations against communications in the Caspian Sea. They would be useless on the Volga River because they cannot be protected against shelling from land. They are suitable, however, for operations in the Volga estuary. The Naval Liaison Officer requests approval of his agreement with Army Group B that the port commander slated for Astrakhan be placed at the disposal of the Army Group as adviser as soon as possible. The Naval Staff gave the requested approval.

On 25 Aug. the Naval Liaison Officer to the Army High Command, reported the proposed size of the forces to participate in the offensive toward Astrakhan and reported that no decision has yet been made as to whether ships encountered on the Volga and Akhutba

Rivers between Astrakhan and Stalingrad are to be destroyed and if so, how. The Liaison Officer asks whether it is necessary to organize a special Volga Flotilla, since the area will not be occupied permanently by our forces; he points out that mines and artillery will be needed for the Volga estuary in order to hold Astrakhan. In the Naval Staff's opinion a Volga flotilla could not operate as long as the enemy holds the east bank of the river. The problem of adequate protection of the Volga estuary is being studied by the Naval Staff Quartermaster Division. The Chief, Naval Staff shares the above opinion.

- e. Regarding the Naval Liaison Officer's proposal to appoint an admiral as Commander of the Caspian Sea (see War Diary of 30 Aug.).
- f. The Naval Liaison Officer on the Air Force Operations Staff reports as follows:

The recent Russian attacks on German territory originated in the Toropets area.

The situation on the Schluesselburg sector is threatening. For this réason some of the bomber forces are being shifted from the area of the Central Army Group to the 1st Air Force.

The Air Force established that the Don-Caspian Sea Canal has only been mapped out. Thus there is no connecting waterway.

The operations of the Panzer Armies, particularly those of the 4th Panzer Army, have been badly affected by lack of fuel. In order to meet the most urgent demands, mobile refineries have been brought up as a first step.

Flight tests of He 177's showed this plane to have a range of 2,250 km. while carrying 4 tons.

On account of repeated reports of enemy intentions to land on the Norwegian coast, the torpedo plane group was shifted from the west area to Stavanger. The 5th Air Force was called upon to watch for any landing attempt and to prevent convoy PQ 18 from slipping through in small groups via the neithern tip of Spitsbergen, the west coast of Novaya Zemlya, and the western channel to Archangel.

Our-attacks on England are termed insignificant.

Special Items

The Intelligence Division of the Armed Forces High Command issued a detailed report on the Russian and British forces in Iran and the communications and economic conditions there, received from a reliable intelligence agent who returned from Persia to Turkey at the end of May. For copy see 1/Skl 28912/42 geh. in War Diary, Part B, Vol. V.

Situation 31 Aug. 1943

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to an intelligence report a British ship officer stated that a large convoy was scheduled to sail from the
west coast of either Scotland or northern Ireland approximately
on 20 Aug., supposedly consisting of 25 ships for Gibraltar and
40 ships for the Red Sea and the Persian Gulf by way of the Cape.
The convoy was to be joined en route by a large number of U.S.
troop transports for Iran. Among other ships, 3 auxiliary aircraft
carriers form part of the escort. The convoy is supposed to be
approximately 200 miles west of Cape St. Vincent between 4 and 6
Sep. The same source reports that a new attempt will be made to
get a convoy through the Mediterranean supported by strongest aircraft escort.

South Atlantic:

According to evidently wrong British radar location, a submarine was supposed to be at 15° S,38° W on 23 Aug. The ALCANTARA was last heard of on 2 Aug. from the usual patrol area between the Cape and Freetown at the latitude of Luederitz Bay. On the same day a group of 2 unidentified vessels and 2 steamers was at sea off Tristan da Cunha headed for the Falkland Islands.

The German Consulate at Monrovia reports that Liberia is planning to draft 5,000 men and to have native officers trained by U.S. officers.

Indian Ocean:

A Portuguese gunboat rescued survivors of the steamer WILFORD, sunk by a Japanese submarine, in the area of the Sambesi River estuary.

2. Own Situation:

According to the log of ship "28" the light motor torpedoboat has proved generally useful; it increases the offensive power of the auxiliary cruiser and makes it possible to pose as a submarine. Radar set 107 was constantly out of order and thus never used.

The Naval Staff confirms receipt of the war diary excerpts of ship "28", promises to study the comments on conversion, and announces that the supply requests are being taken care of. (See Telegram 1407.)

Enemy situation report by radiograms 2146 and 2239.

II. Situation West Area

1. Enemy Situation:

At 0540 air reconnaissance sighted 50 steamers and warships on a southerly course in the Dover area. After 1830.5 patrol vessels were observed between the Scilly Islands and Lands End; otherwise no traffic was noted off the English south and west coasts.

2. Own Situation:

Atlantic Coast:

Mine-exploding vessel "7" was damaged while sweeping a mine west of point "P III"; she can be kept afloat.

Channel Coast:

All 3 PT boat flotillas executed their mine-laying missions during the night of 30 Aug. according to plan. The 2nd and 4th PT Boat Flotillas were engaged on this occasion by enemy destroyers and patrol vessels. For short report see Telegram 1025. The 5th PT Boat Flotilla performed its mission in fog. For short report see Telegram 1340.

Special Item:

The Commander, Destroyers is forced to withdraw his offer of assigning torpedo boat T "17" to the 3rd Torpedo Boat Flotilla (see War Diary 26 Aug.) since torpedo boat T "7", which was supposed to replace torpedo boat T "5", is temporarily out of commission. (See Telegram 1900.) The Naval Staff is not including T "17" in the distribution of torpedo boats. (See Conference on the Situation with the Chief, Naval Staff, paragraph V c.)

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

An attacking British plane was shot down by patrol vessel VP "1232" north of Terschelling.

2 more ground mines were swept on 30 Aug. On 31 Aug. 10 ground mines were swept in the area of the Commanding Admiral, Defenses, North. Mine-exploding vessel "145" struck a mine and is being towed to the Borkum roadstead.

Special Item:

The Commanding Admiral, Defenses, North reports that 2 men in a rubber boat could not be rescued by a sea rescue plane in the minefield area of quadrant AN 4337, since fighter planes were not available due to the approach of enemy aircraft. Radio monitoring revealed that these men were taken prisoner by an enemy plane. Group North remarks in this connection with full justification that the lack of fighter and reconnaissance planes in the threatened Dutch area must be remedied at once. (See Telegram 1220.)

2. Norway and Arctic Ocean:

Enemy Situation:

7 medium-sized steamers were at Iokanga at noon. Air reconnaissance established a battleship, 3 cruisers, probably an aircraft carrier, and 12 to 15 steamers at Reykjavik; 5 steamers were entering the port of Reykjavik. West of Reykjavik 5 steamers were sighted on easterly course. No tactical information was gained from reconnaissance in the area from Prince Charles Foreland to south of Bear Island.

According to an intelligence report a ship officer stated that a convoy sailed from the Peterhead area on 25 Aug. for Murmansk and Archangel.

Own Situation:

On 29 Aug. a Russian battery on Rybachi Peninsula fired unsuccessfully at a Norwegian trawler in Petsamo Fjord. Submarine chase and convoy service in the area of the Commanding Admiral, Norway proceeded without incident.

Cruiser SCHEER arrived at Narvik at 1800 on 30 Aug.

In spite of being ordered to report at 3 different hours of the day, the ULM did not report.

Group North was notified by the Naval Staff of the arrival of a small U.S. escort cruiser and of 2 escort destroyers in Bering Strait at the end of July which was reported by the Naval Attache at Tokyo.

Submarine U "456" reports being pursued on the evening of 30 Aug. by 4 minesweepers and escort vessels. She was able to escape after a long bombardment by utilizing a thin drift ice cover. The boat is moving to her new zone of operation via quadrant AC 93.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

In the area of the Commanding Admiral, Defenses, Baltic Sea enemy air activity was observed in the Skagen area where mines were probably laid.

The Naval Attache at Stockholm reports that the 2nd Irun squadron was in the northern part of Kalmar Sound at 1520.

An enemy submarine in the western Aland Sea was attacked with depth charges; Group North assumes that she was destroyed. Nothing to report from the area of the Commander, Mine Sweepers, Baltic Sea. Convoys proceeded according to plan.

V. Submarine Warfare

1. Enemy Situation:

Lively reconnaissance activity in the rendezvous area. Radio monitoring intercepted a convoy approximately 400 miles west of Brest around 2100 and the report of an unsuccessful depth charge attack by planes on a submarine. Several planes, reconnoitering an area extending to about 400 miles west of Brest, were observed to be maintaining radio communication with an escort vessel.

2. Own Situation:

In the North Atlantic a convoy on an easterly course was located by submarine U "609" in quadrant AK 2914; shortly thereafter the submarine sank 2 of its steamers, totalling 8,000 GRT. The convoy is reported to consist of between 30 and 40 steamers. 3 more submarines are operating against it.

Submarines U "558" and U "564" submitted an extensive report on the situation in the Caribbean Sea and the ocean area of Trinidad.

Submarine U "66" reports sinking a 7,000 GRT tanker in quadrant EE 9590.

The submarines operating in the western Mediterranean are advised that new enemy undertakings are to be expected. 3 of the boats in the eastern Mediterranean are assigned to new attack areas.

For details see supplement to submarine situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report.

.2. <u>Incursions</u>:

No enemy planes were reported over German territory. Enemy air activity in Denmark, Norway, and western France was light.

3. Mediterranean Theater:

428, planes were engaged in support of our army operations in North Africa. 8 enemy planes were shot down. Reconnaissance missions were flown over the Mediterranean. For resulting information see Enemy Situation, Mediterranean.

4. Eastern Front:

74 enemy planes were shot down in the course of army operations.

For results of reconnaissance in the Black Sea and Arctic Ocean see respective enemy situation reports.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

According to an Italian report from a reliable source, the American war council at Cairo is said to have decided to discontinue shipping in the Mediterranean except in an emergency.

2 destroyers left Gibraltar during the afternoon for the Atlantic.

An intelligence report from Spain alleges that lights from 29 unidentified ships coming from the Atlantic and sailing on an easterly
course were observed in Gibraltar Strait during the night of 30
Aug. Air reconnaissance flown today as far as 2° E saw no trace
of this formation or of the one reported observed during the night
of 29 Aug. It may well be that such reports are being planted by
the British intelligence service in order to alarm us and to induce us to withdraw air forces from the central Mediterranean and
North Africa.

Air reconnaissance sighted 3 PT boats on a westerly course south of Crete at 1530, which subsequently withdrew at top speed southeast and then east. After darkness contact with them was lost approximately 100 miles north-northwest of Marsa Matruh. No other reports of sighting enemy forces were received from the eastern Mediterranean.

At 1500 the radio intelligence service intercepted reports of enemy planes about a convoy in the area west of Crete consisting of 2 tankers and 1 freighter on a 290° course escorted by 3 destroyers, and shortly after midnight reports of another convoy of 2 steamers and 4 destroyers on a northerly course.

2. Own Situation, Mediterranean:

An Italian torpedo boat reports sinking an enemy submarine off Cerigotto on 29 Aug. and shooting down 2 enemy planes attacking the escorted steamer GUALDI during the night of 29 Aug.

2 of our PT boats were en route from Augusta to Suda and 4 from Suda to Marsa Matruh.

The Italian steamer MONSTELLA proceeding in convoy was torpedoed by an enemy submarine in the afternoon of 30 Aug. in the Ionian Sea off Paxos. Attempts are being made to tow her to port.

3. Transport of Supplies to North Africa:

Tanker SAN ANDREA, which was torpedoed on 30 Aug., sank with 2,285 tons of Otto fuel for the Army and 126 tons of aviation gasoline.

Steamer GUALDI arrived at Tobruk during the forenoon of 30 Aug. Supply transports from Italy and Greece to North Africa and North African coastal shipping proceeded otherwise according to plan.

4. Area Naval Group South:

Aegean Sea:

The tankers ABRUZZI and P.C. FASSIO arrived at Suda and will proceed from there to Tobruk and Benghazi respectively in company of steamer BOTTIGLIERI.

Black Sea:

Enemy Situation:

Air reconnaissance reported a southbound convoy of 1 steamer and 1 patrol vessel between Tuapse and Adler. A tanker, 3 steamers, and 10 patrol vessels were sighted off Ochemchiri.

Lively ship traffic was observed in the Caspian Sea and on the Volga River.

Own Situation:

During the night of 30 Aug. the 1st PT Boat Flotilla operated in the area north of Sochi and intercepted an enemy convoy protected by a torpedo boat and 4 or 5 PT boats. A 3,000 GRT tanker and a 1,500 GRT steamer were reported sunk. The enemy used depth charges in defense.

Italian subchasers operating off Novorossisk during the same night sighted no traffic. On the way out they were bombed and strafed by 6 low-flying enemy fighter planes. During the night of 29 Aug. our coastal artillery fired on 4 enemy motor boats proceeding through the Kerch Strait off Chushka Spit; 1 boat was set afire. Hits were scored also on enemy gunboats off Tuzla Spit. Enemy guns returned our fire.

Mine-sweeping operations proceeded according to plan. 9 mines were swept west of Cape Kherson by the Crimean Mine Sweeper Group. The remote clearance group arrived at Genichesk on 30 Aug. and departed for Mariupol on 31 Aug.

A submarine chase off the Bessarabian coast, conducted by Italian submarines on 30 Aug., was unsuccessful.

Motor minesweeper R "36" secured important maps at Temryuk. The harbor there is thoroughly destroyed.

Convoy service proceeded according to plan.

Special Items:

a. In its comment to the remarks of the Army Quartermaster General, Naval Group South points out that it intends to continue to take care of all military supply shipments, but to turn over non-military shipping to the civilian shipping authorities. The Group thus agrees with the opinion of the Quartermaster General that the Navy should not be relieved of all supply duties. It is also planned to maintain fully all of the sea transportation offices in the western Black Sea area which are serving as ports for the shipment of military supplies for the east area. In the Group's opinion, however, it is not possible to maintain sea transportation offices for non-military goods, in view of the lack of officer personnel. The entire sea-going tonnage available in the Black Sea is already in the hands of the Navy, but this does not apply to the seagoing river vessels used for non-military purposes. Group South requests the Naval Staff Quartermaster Division to provide sufficient seagoing shipping space as quickly as possible in order to be in a position to meet the demand for the transportation of more than 200,000 tons per month. All possibilities of procuring additional tonnage in the southeast area have been completely exhausted. Since supply shipping was taken over by the sea transportation offices, everything possible is being done to increase the capacity of the Black Sea ports. (See Telegram 1725.)

b. According to the Naval Liaison Officer at the Army High Command, the Army Quartermaster General ordered the Chief Supply and Administration Officer of the 11th Army to consult the Admiral, Black Sea about the possibilities of using Sevastopol as a transshipping port in place of Nikolayev and Kherson, until it becomes possible to use the Caucasian harbors. Daily 1,500 to 2,000 tons must be handled. The supplies are to be shipped to Kerch or to the Stalino area via Melitopol. (See Telegram 1900.)

Group South has already been studying the problem of using the port of Sevastopol for quite some time. It remains to be seen what stand the Group will take.

VIII. Situation East Asia

Nothing to report.

IX. Army Situation

1. Russian Front:

Army Group A:

Elements of the Rumanian Army under the personal leader-ship of the Commander in Chief, Army, General Dumitrescu, captured the town and port of Anapa. In the V Army Corps sector the dominating position in the hills west of Novorossisk has been reached. Small enemy forces could not be kept from infiltrating northward south of Krasnodar. The Mountain Division made slow progress against stubborn enemy resistance. The LII Army Corps is closing in on Mozdok.

Army Group B:

Chalchutea was captured. A Rumanian attack at the southern wing of the 4th Panzer Army resulted in the capture of Teryachi. The 24th Panzer Division broke through the positions north of the bridgehead across the Don-Volga Canal and reached the railroad 20 km. west of Stalingrad. Enemy pressure east of Kalach lessened. However, stubborn enemy attacks are being carried on in great strength against the divisions of the XIV Panzer Corps north of Stalingrad. An attack launched after strong artillery preparation south of Kremensk was repulsed with heavy losses to the enemy.

Central Army Group:

Enemy concentrations are reported from the Sukhinichi sector. East of Vyazma the enemy vainly attacked our positions north of the Vyazma-Kaluga railroad. All enemy attacks at Gzhatsk and in the Rzhev area were repulsed. Only northwest of Rzhev was the enemy able to penetrate our lines, but was sealed off.

Northern Army Group:

Enemy pressure on the land bridge leading to the II Army Corps continued undiminished. Enemy pressure is particularly strong south of Lake Ladoga where it takes all our reserves to withstand the enemy attacks.

2. Finnish Front:

The situation remained unchanged.

3. North Africa:

The attacking force of the Panzer Army surmounted a great number of minefields and barrages and drove motorized elements of the 7th British Tank Division back to the east and north. In the evening our advance resulted in the capture of the line of Mannaquir el Taiyara just south of Alama Mayil. Reconnaissance detachments are securing our eastern flank in the direction of Deir el Ragil. Operations of assault detachments carried out on the northern front sector during the night of 30 Aug. established the presence of the 1st South African Division in the area south of El Alamein. The Air Force supported the offensive of the Panzer Army with successful attacks of fighter planes and dive bombers. The Commanding General, German Africa Corps, General of

CONFIDENTIAL

31 Aug. 1942

the Panzer Forces Nehring, was wounded, and the Commanding General of the 21st Panzer Division, General von Bismarck, was killed in action.

Thus the decisive offensive was opened by German initiative. As it can be assumed that both sides are of equal strength, better leadership will ultimately bring the decision.

19.030AF7

Akkord

Code name for minelaying operation by the 8th Minesweeper Flotilla in the English Channel.

Alba

Code name for the laying of cutter-float barrage SW 105 by the 8th Motor Minesweeper Flotilla.

Anton 1 and 2

Code name for flanking minefields in the British Channel.

- 510 6.1' N, 010 37.8' E to 510 7.0' N, 010 42.6' E
- 51° 5.4' N, 01° 38.2' E to 51° 4.0' N, 01° 33.6' E 2.

Arbeiter

Code name for the laying of barrage G4 by the 8th Minesweeper Flotilla in the English Channel.

Barbarossa

Cover name for the invasion of the U.S.S.R. begun in 1941.

Cover name for the crossing of the Kerch Strait by German forces and capture of the eastern shore.

Bonifacius, Bonifatius
See "Caesa" I and II.

Bruno 1 and 2

Code name for flanking minefields in the English Channel.

- 50° 58.5' N, 01° 28.4' E to 51° 1.2' N, 01° 31.5' E
- 50° 56.4' N, 01° 24.3' E to 50° 58.9' N, 01° 27.5' E 2.

The code word for the minelaying operation was "Clara".

Caesar I and II

Code name for flanking minefields in the English Channel.

- 500 48.3' N, 010 15.8' E to 500 45.7' N, 010 12.9' E I.
- 500 45.8' N, 010 13.6' E to 500 42.6' N, 010 11.0' E II.

The code word for the minelaying operation was "Bonifatius".

Clara
See "Bruno" 1 and 2.

Duesseldorf

Code name for a trial SMA barrage laid by submarine U "119" in the Skagerrak.

Eiche

Code name for the transfer of cruiser LUETZOW from Trondheim to the Baltic Sea.

Eispalast

Operation against convoys PQ 18 and QP 14.

Code hame for Westwall barrage 5a laid between quadrant AN 6864 upper right and AN 6833 lower left.

Standard mine, type C; a contact mine against surface vessels.

Erasmus I and II

Code name for the laying of cutter float barrages SW 101 and 102 in the North Sea.

Secret German naval organization for providing German naval units with information and supplies from foreign bases. Etappe Japan was of great importance for German blockade-running activities.

Fritz

Code name for the laying of barrages Al and A2 by the 12th Motor Minesweeper Flotilla in the English Channel.

Fuenfte Kolonne

Code name for Westwall barrage 10a laid between quadrant AN 6626 and AN 6385.

Granada

Code name for the planned mining of the southern entrance of the Great Belt in case the Russian Baltic Sea fleet should attempt to break through. This plan was also known as "Granada grosse Ausfuehrung" and "Grauer Ort".

Granada grosse Ausfuehrung See "Granada".

Grauer Ort

See "Granada".

Grundsee West, Grundsee Ost

Code names for the planned mining of the Gjedser Strait in case the Russian Baltic Sea fleet should attempt to break through.

Holzauge

Code name for the operation of the HERMANN for the purpose of establishing a weather observation post and radio station on the east coast of Greenland near Cape Bismarck.

Iwan

Code name for minelaying operation by submarine in the Pechora estuary.

Kirschbluete

German cover name for voyage of Japanese submarine I 30 to Europe. The submarine, under Commander Endo, left Japan the middle of April and arrived in Lorient in the beginning of August. She crossed the equator on 18 Jul. at 20° W. She had expected to reach France in the middle of July but was delayed en route.

Lachs

Code name for minefields laid in the coastal island waters north of Hogland in the eastern Baltic Sea.

- Lachsfang

 Code name for operation by the 20th Mountain Army and the 5th Air
 Force to capture the Murman railroad at Kandalaksha in an attempt
 to cut Russia's supply lines.
- One of the designations of the Sunda Strait as a reference point on the German blockade-runner route to Japan.
- Aerial mine (parachute mine) type B with acoustic firing device.
- Masuren

 Code name for the laying of barrage G2 by the 8th Minesweeper Flotilla in the Channel.
- Code name for a series of German mine barrages designed to keep Russian submarines from breaking out of the Gulf of Finland into the Baltic Sea. They extended from Nargen on the Estonian side to Porkkala on the Finnish side.
- Nordlicht

 Code name for the renewed Army operations against Leningrad in September 1942.
- Oppeln

 Code name for experimental minelaying mission in the Skagerrak by the ROLAND.
- Code name for first operation of submarines off the U.S. coast beginning December 1941. The submarines involved in the operation were designated as group "Paukenschlag".
- Code name for minelaying operation by a submarine in the western entrance of the Yugor Strait.
- Code name for minelaying operation in the western entrance of Matochkin Strait carried out by submarine.
- Political Review (Politische Uebersicht)

 A daily review of political developments abroad published by the
 Naval Staff Intelligence Division (3/Skl).
- QQQ signal

 Distress signal sent by ships when sighting or under attack by armed raider. QQQ was also used when suspicious merchant vessels were sighted.
- Rack mine, type A See SMA mine.
- Code name for a minelaying operation by the KOELN and several destroyers outside the west entrance of Matochkin Strait.

Roesselsprung
Code name for operation against convoy PQ 17.

Code name for minelaying operation North of Kolguyev carried out by German destroyers. Simultaneously mines were laid south of Kolguyev (operation "Zarewitsch").

Route "Anton"

A German shipping route. Its geographical borders were: The French coast at 47° 30' N; 47° 30' N, 29° W; 43° N, 40° W; 37° N, 40° W; continued on 37° N; the southern and eastern borders of route "Anton" were defined by the borders of the operations zone of the submarines in the South Atlantic.

Distress signal sent by ships when sighting or under attack by enemy warship.

Code name for minelaying operation by submarine outside the harbor of Amderma.

Samland

Code name for the laying of barrage Gl by the 3rd Torpedo Boat
Flotilla in the English Channel.

Seehund Code name for a series of minefields in the Gulf of Finland.

Code name for German minefield from the island of Aspoe to 60° 04' N, 27° 09' E; 59° 54' N, 27° 20.5' E, via Vigrund to Cape Kurgalski.

Seeloewe Cover name for the planned invasion of England.

German reference point at 300 S, 040 W.

Code name for the planned mining of the southern entrance of the Sound in case the Russian Baltic Sea fleet should attempt to break through. This plan was also known as "Sevilla grosse Ausfuehrung and "Starkshorn".

Sevilla grosse Ausfuehrung See "Sevilla".

Rack mine type A. A moored influence mine laid by a specially constructed minelaying submarine. Its charge weighed approximately 350 kilograms. This mine was designed for waters of 50 m. to 300 m. depth.

Distress signal sent when sighting or under attack by a submarine; could also indicate being damaged by a mine.

Standard mine, Type C

See EMC mine.

Starkshorn
See "Sevilla".

Toledo

Code name for the planned mining of the northern entrance of the Sound in case the Russian Baltic Sea fleet should attempt to break through.

Walter submarine

Submarine designed by the Walter firm, Kiel, distinguished by the addition of a turbine drive to the standard Diesel and electrical drives. The turbines were to be driven by a fuel obtained from the decomposition of hydrogen peroxide and were to give the submarine a high underwater speed. The hull was completely streamlined.

Wunderland

Code name for operation by the SCHEER during which she attacked Russian shipping and shere installations in the Kara Sea in August 1942.

Zar

Code name for minelaying operation off the northern tip and northwestern coast of Novaya Zemlya by the ULM.

Zarewitsch

Code name for minelaying operation south of Kolguyev carried out by German destroyers. Simultaneously mines were laid north of Kolguyev (operation "Romanow").

Zeus

Code name used to designate the SCHEER during operation "Wunderland".

