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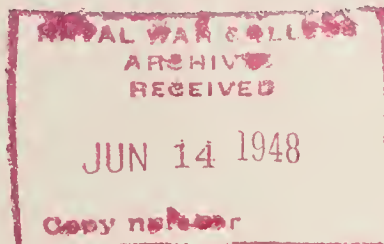
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WAR DIARY

German Naval Staff Operations Division



PART A

VOLUME 35

DECLASSIFIED JAW DOD MEMO OF 3 MAY 1972, SUBJ:
DECLASSIFICATION OF WWII RECORDS

JULY 1942

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WAR DIARY OF THE GERMAN NAVAL STAFF

(Operations Division)

PART A

July 1942

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

Volume 35

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OFFICE OF NAVAL INTELLIGENCE

Washington, D. C.

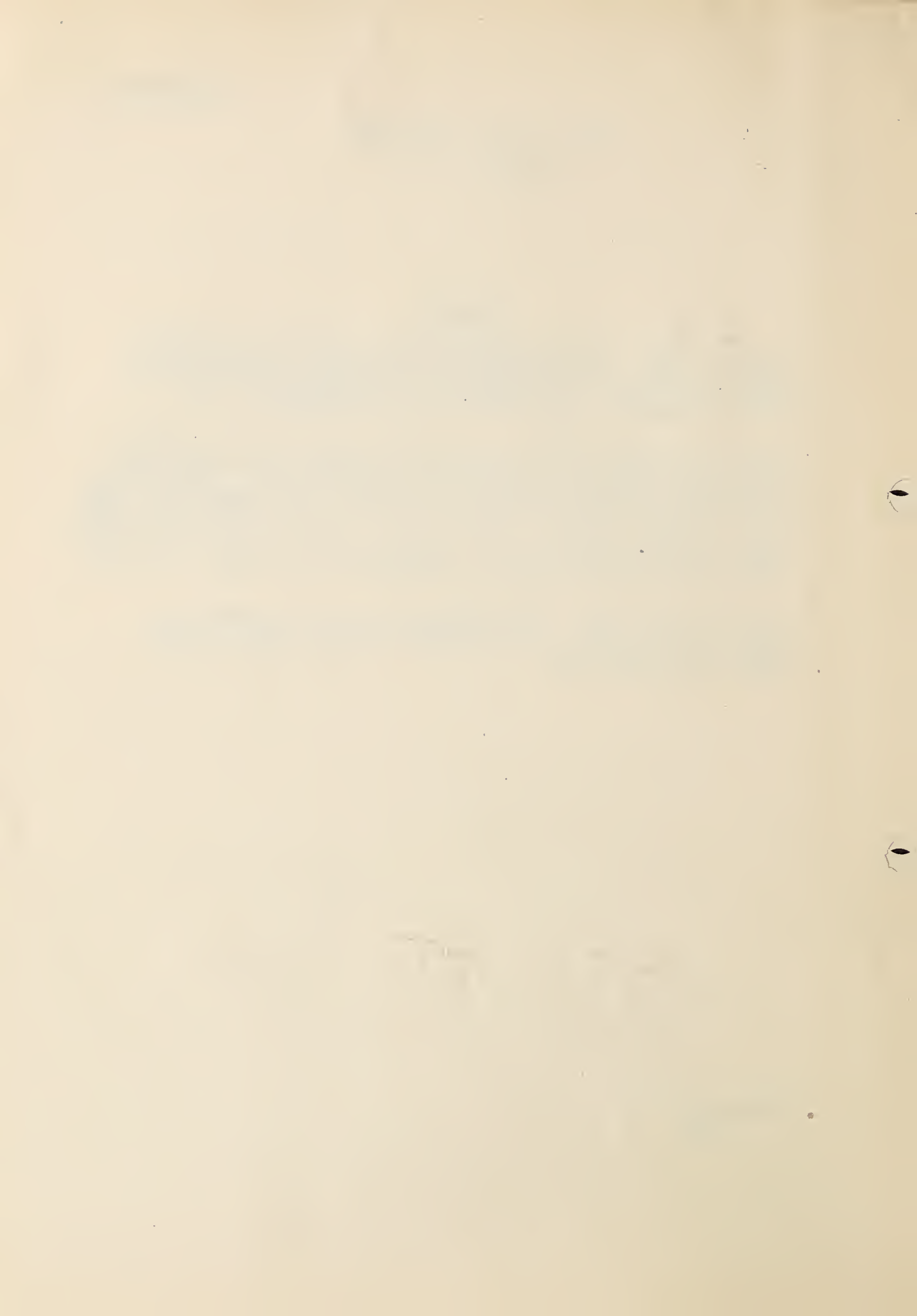
Foreword

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 35 is the ninth 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 micro-film 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.

Washington, D. C.
1948



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Items of Political Importance

Great Britain:

Admiral Cunningham, Commanding Admiral of the Mediterranean Fleet up to the present time, stated that the British forces in North Africa were defeated because the Germans wrought such destruction on Malta that military forces stationed there became completely immobilized. Rommel consequently received an unexpected amount of supplies. Nevertheless, the Germans will find it difficult to capture Alexandria. But even if they succeed, the British Fleet will still be able to operate in the Mediterranean from Haifa or Port Said, although under difficult conditions.

Writing on the political situation, an American periodical asserts that Germany could win a really decisive victory only on the British Isles proper, not in Russia or the Middle East. It seems that the American commentator ignores the war against Britain's supply line altogether.

Egypt:

British military authorities are trying to prevent a mass flight of Alexandria's population into the Nile Delta by blocking the desert road to Cairo. It is also reported that extensive preparations have been made to blow up the important port installations at Alexandria.

Spain:

The Foreign Ministry has published another note rejecting the accusation that Spanish ships are assisting Axis submarines in the Atlantic.

Rumania:

Relations between Rumania and Hungary have reached a degree of tension which furnishes reason for serious reflections.

Turkey:

The recall of the Turkish Ambassadors from Berlin and Moscow is attributed to Turkey's intention to relax relations with Britain and to establish closer ties with Germany in view of the great German victories in North Africa. A similar reason is seen to be responsible for the position taken by Turkey's Deputy Chief of the General Staff. In an address to the War College delivered in the first week of June he spoke of Great Britain's disadvantageous position in an unusually straightforward manner. He considers the fighting in Africa a more important factor in determining the future attitude of Turkey, than the course of German operations in Russia. Our Military Attache in Ankara, who submits this report with all due reservations, emphasizes that the considerable successes which we have scored in the meantime will most likely have a strong effect on the attitude of the Turkish General Staff, although no such tendencies have been noted up to now.

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Chile:

In secret session the Senate rejected a proposal to break off diplomatic relations with the Axis powers by a vote of 34 to 2 (Communists).

Brazil:

According to press reports, the Foreign Minister announced that the Brazilian merchant marine will be placed under a shipping control board which will be located in the United States Embassy and control all Allied ships in Brazilian waters.

The Commander in Chief, Navy was absent from Berlin on 30 Jun. and 1 Jul. to inspect the area of the Commanding Admiral, Baltic Countries.

Special Items:

I. The Fuehrer has decided that Egypt is to be placed under Italian sovereignty. Booty is to be taken only to fill the immediate needs of the troops. The Naval Staff, Quartermaster Division will take charge of further details.

In the event that our forces occupy the Suez area, provision will have to be made for operations by German naval forces and their command. This problem is particularly important in view of the possibilities for German-Japanese cooperation within, as well as outside of but originating from, this area. The fact that we are not sovereign in the Suez Canal zone must by no means be allowed to handicap us in solving arising problems. For this reason it is time to devote thought to the problem, and to set forth certain principles to which all German as well as Italian authorities concerned will have to adhere.

II. The Chief of the Meteorological Branch of the Naval Staff's Hydrographic and Meteorological Division is making preparations for the dispatch of a meteorological expedition to Greenland, preparing the weather ship SACHSEN for the undertaking. The expedition is to set out from Tromsoe about the middle of August. It is to proceed northward as far as the ice-barrier and, skirting along the southern rim, is to find a break in the ice which will allow it to proceed westward. A weather buoy with deep-sea mooring is to be planted at the approach to this point. A main station is to set up on land in plain view of the SACHSEN which will be camouflaged in a bay. An auxiliary station will be set up at a distance of 100 km. Should the vessel fail to make a break through the ice, then an observation party of 2 or 3 men is to proceed inland over the ice while the ship is to spend the winter at the ice-barrier in the Arctic Ocean. The expedition is to take up to 2

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years.

The enterprise will bear the cover name "Holzauge".

III. There are reasons to believe that a former crew member of ship "16" has committed the highest form of treason and is now on the British radio, broadcasting regularly to our armed forces. The basis for such a belief has been furnished by the interrogation of an internee who has returned from Britain as an "enemy agent".

Transcript of the interrogation and reports of the former adjutant of ship "16" as per l/Skl Ik 15319/42 Gkdos. in War Diary, Part C, Vol. I.

IV. Restrictions on merchant vessels plying to Sweden and Finland have been lifted. This has been done on the express wish of the Reich Commissioner of Maritime Shipping. The Commissioner had stated through Captain Kaehler on 30 Jun. that the loss of single ships through enemy submarine attacks would be preferable to the delays and dangers that would beset merchant traffic if the compulsory escort order and the rule requiring ships to remain in Swedish territorial waters were to be continued in force. The Chief of the Planning and Assignments Section of the Reich Commissioner of Maritime Shipping, going beyond this statement, has declared that the difficulties encountered on trips to Sweden have become intolerable because our ships are forced to maintain an escort and to keep within Swedish territorial waters.

V. In Vol. 2 of his "War Experiences" the Commanding Admiral, Defenses, Baltic Sea has given a graphic picture of the mine-laying operations carried out by the enemy on a comprehensive scale and with enviable skill at the entrances to the Baltic Sea. The picture furnishes valuable pointers for our own planting of air mines.

The Naval Staff has forwarded a copy to the Commander in Chief, Air, Operations Staff; also to the 3rd Air Force, IX Air Corps, as well as to the Naval Staff, Hydrographic and Meteorological Division and the Underwater Obstacles Branch. Copy of order l/Skl I E 22806/42 Gkdos. in War Diary, Part C, Vol. VI.

VI. In accordance with the request of Group North, the Naval Staff, having repealed standing orders, assigned the 7th Mine Sweeper Flotilla to the Commanding Admiral, Defenses, North, while the 15th Mine Sweeper Flotilla is to be committed in Norway on the completion of repairs.

For corresponding directive to Group North, a copy of which has been forwarded to the Commanding Admiral, Norway, see Telegram 1300.

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Situation 1 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

An Italian report states that on 28 Jun. the British destroyer VANSITTART sailed from Gibraltar en route to Britain via Ponta Delgada. On 29 Jun. 10 eastbound British ships escorted by an aircraft carrier passed the Island of Fayal in the Azores.

South Atlantic:

Radio messages which have only now been decoded reveal the following:

All British merchant ships plying between South American ports south of Bahia and the ports situated on the east coast of the United States and Canada have received orders on 4 Jun. to cross the equator to the east of 25°W.

Thus the shift of the shipping route from the coast of Brazil to the east of St. Paul's Rock has belatedly been confirmed.

According to a report of the British Admiralty of 10 Jun. a 7,000 GRT British ship has been torpedoed south of Freetown (this is probably a haul of ship "23"); and a Greek ship was shelled by an armed raider south of Mozambique on 8 Jun..

On 19 Jun. the auxiliary cruiser ALCANTARA was at 34°40'S and 13°30'E, bound for Capetown. About a week later the auxiliary cruiser was located in the area of St. Helena.

According to press reports, the United States Fleet has taken over escort and patrol duties in the South Atlantic. Montevideo is being used as an air and naval base.

Indian Ocean:

Radio monitoring picked up a report from a steamer, according to which an unidentified ship was shelled by a submarine 120 miles east-northeast of Lourenco Marquez.

2. Own Situation:

The Naval Staff has assigned the following zones of operations to ships "28" and "23" as of 5 Jul.:

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For ship "28": Northeast of the line joining the upper left corner of large quadrant FD with the lower right corner of quadrant GP.

Ship "23": Southwest of the above line.

Ship "28" is to use her own discretion on her present move to the new zone of operations and is to report by short-code signal when leaving that zone for purposes other than scheduled provisioning. Corresponding orders have been sent to ship "28" and ship "23" by Radiogram 0321.

Information to the Naval Attache in Tokyo concerning identification marks for camouflaged ships by Telegram 1830.

Information concerning the enemy situation by Radiograms 0548, 1512 and 2050.

II. Situation West Area

1. Enemy Situation:

Photo reconnaissance of 25 Jun. disclosed that along Britain's south coast, from west of Plymouth up to Land's End, only the number of small vessels in Falmouth has doubled since 3 Jun., so that about 200 of them are now lying there. Judging by their size and type these vessels appear to be fishing and harbor craft rather than landing craft.

Near Hastings, air reconnaissance spotted a convoy composed of some 20 steamers, headed northeast; north of Land's End a convoy composed of 12 steamers and 2 destroyers, headed northeast; and at the north exit of the Bristol Channel 2 westbound destroyers.

2. Own Situation:

Nothing to report.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Secret Intelligence intercepted radio instructions of the British Intelligence Service of 26 Jun., calling for information as to whether the Germans have "block ships" available for blockading Dutch harbors.

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In the morning, air reconnaissance observed a southbound convoy of 32 steamers off Yarmouth.

Own Situation:

In the area of the Commanding Admiral, Defenses, North 105 ground mines were removed from convoy routes during the month of June. 92 of these represented successful mine-sweeping operations and 13 were hits scored.

At 0200 one of our convoys put up a successful defense when attacked by 3 enemy PT boats and 1 plane in quadrant AN 8531. Enemy planes unsuccessfully bombed harbor defense vessels off the Ems estuary.

2. Norway:

On 29 and 30 Jun. enemy air activity in the area of the Admiral, Arctic Coast. Airfields at Petsamo and Vardoe were bombed. The Air Force brought down 4 enemy planes.

On 30 Jun. 1 or 2 enemy planes over Aasen Fjord in the afternoon. It is likely that they were reconnoitering our anchorages.

Ship movement in the Norway area without incident.

3. Arctic Ocean:

Enemy Situation:

At 1530 radio monitoring intercepted a report of a ship concerning an air shadower of the convoy "Competent" in quadrant AB 7167, and also a long and urgent radiogram at 1559 from another ship to the British Admiralty and 3 unidentified addresses.

According to air reconnaissance reports, submarines can be expected in the large quadrant AB on the convoy route from Jan Mayen to Bear Island, in addition to submarines already in waiting positions in the sea areas off Trondheim and Vardoe. The sighting of 9 destroyers in the Kola Bay-Iokanga area together with the reports of radio monitoring in the Archangel region tend to indicate the presence of British ships.

The commissioning of the ANSON on 27 Jun. and the appearance of the WARSPITE in northern Scotland since 18 Jun. brings the Home Fleet up to the strength of 8 battleships (1 of the WARSPITE class, 2 of the NELSON class, 2 of the KING GEORGE V class, 2 of the HOWE class and 1 of the U.S.A.-WASHINGTON class). The combat readiness of these ships is doubtful to a certain extent, but there is a possibility that a considerable force of battleships will be used to escort PQ convoys.

At 1615 convoy PQ 17 proceeding in northeasterly direction was located by submarines in quadrant AB 7160.

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Air reconnaissance reported at 1650 in quadrant AE 3790 a task force consisting of 1 carrier, 3 battleships, 6 cruisers, 6 destroyers and 3 escort vessels on course 250°.

A decoded Admiralty radio report of 4 May belatedly discloses that the cruiser EDINBURGH, destroyers FORESTER and FORESIGHT and mine sweepers HARRIER and HUSSAR took part in the engagement with the 8th Destroyer Flotilla on the morning of 2 May. The EDINBURGH was hit by a torpedo and the FORESIGHT was forced to proceed at reduced speed. One of our destroyers (SCHOEMANN) is reported to have been sunk and another damaged. The EDINBURGH had to be abandoned and was sunk by the FORESIGHT. From this report it cannot be conclusively established that the EDINBURGH had already been damaged at the time it was attacked by the 8th Destroyer Flotilla, since the time of the torpedo hit was not logged.

Own Situation:

The first report concerning convoy PQ 17 was brought in by submarine U "255", which sighted light naval forces in quadrant AB 7166. Radio monitoring which reported convoy "Competent" confirmed the above report. Further confirmation of the sighting of convoy PQ 17 was supplied by submarine U "408" which had been trailing 2 destroyers of the convoy escort. Thereupon, Admiral, Arctic Ocean assigned 4 submarines to continue trailing the convoy and ordered a patrol line of 6 submarines from quadrant AB 5155 to 5515 for 2 Jul. at 1400.

At 2100 air reconnaissance lost contact with the enemy escort group. Visibility in the operations zone varies abruptly and heavy fog prevails.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to radio monitoring 2 surfaced submarines were escorted from Lavansaari to Kronstadt on 30 Jun..

2. Own Situation:

Navigation has been temporarily suspended in the entrances to the Baltic Sea because of suspected aerial mine danger. Escort and sweeping operations are being carried out according to plan.

The Finns report that minefields Rukajaervi K and L were laid according to plan.

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V. Submarine Warfare

1. Enemy Situation:

Nothing to report aside from a few enemy messages about submarines sighted off the American coast and in the West Indies.

2. Own Situation:

Submarines U "255" and "408" first established contact with the escort forces of convoy PQ 17. Somewhat later submarine U "456" contacted the convoy itself. The tracking submarines were repeatedly driven away. The weather is unfavorable for submarine operations.

Submarine U "202" reports sinking a destroyer-escorted steamer off the American coast, presumably a transport of the SEMINOLE type (5,900 GRT). From the West Indies submarine U "67" reports the sinking of a tanker of the BRITISH UNITY type (8,400 GRT). From the Mediterranean submarine U "97" reports the sinking of a 1,800 GRT munitions ship north-east of Port Said. This represents the third success of submarine U "97" on her first mission. Further reports and details with respect to the submarine situation in War Diary, Part B, Vol. IV.

Special Items:

The Japanese Navy has forwarded a report containing the positions of the Japanese submarine which is en route to western France beginning 17 Jun.. On 27 Jun. she crossed the longitude of Cape Town in westerly direction and on 15 Jul. the submarine is scheduled to be west of the Cape Verde Islands. On 22 Jul. she is scheduled to reach 45°N, 13°W and is due to reach Lorient on 24 Jul..

For the Naval Staff's instructions to Group West and the Commanding Admiral, Submarines see Telegram 1400.

VI. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report for the day.

On the night of 1 Jul., 42 of our planes raided Avormouth and 8 raided Portland. A small force of enemy planes flew over Heligoland Bight, presumably with the intent of laying mines.

2. Mediterranean Theater:

Malta was attacked in the daytime with good success. 21 Stukas were sent against a concentration of enemy motor vehicles in the El Alamein area. In the Eastern Mediterranean, Beirut and Haifa were the objects of photo reconnaissance.

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3. Eastern Front:

25 Ju 88's attacked Murmashi and the dock installations of Murmansk with very telling effect. At 1615 reconnaissance spotted an enemy force composed of heavy ships in the Arctic Ocean (see situation Arctic Ocean).

4. Special Items:

According to a report from the Operations Staff of the Air Force, two bomber groups and one fighter group were transferred to the Commanding General, Armed Forces, South in view of developments in North Africa so that there are again 5 German bomber groups in Sicily. Both bomber groups were drawn from the 3rd Air Force. As a result, the planned assault on British airfields must be cancelled. The fighter group was drawn from the Eastern Front.

VII. Warfare in the Mediterranean and in the Black Sea

1. Enemy Situation:

Mediterranean:

Nothing to report from the Western and Central Mediterranean.

At 1345 radio monitoring intercepted a report from a British escort ship concerning the torpedoing of the RHAMSES (cannot be identified) 73 miles to the east of Port Said. The report of 30 Jun. is being corrected to read that no troop embarkations could be observed at Haifa and Beirut.

According to various reports from Turkey the British Fleet is supposed to be leaving Alexandria, and part of it is reported to have passed through the Suez Canal in southerly direction as early as 29 Jun.. Other vessels are supposed to have proceeded to Haifa.

According to another report from Turkey, a large American convoy with material for the 6th Army and equipment for Greek units in Egypt is expected to arrive at Suez on 1 or 2 Jul..

Photo reconnaissance of Haifa at 1606 disclosed the presence of 2 cruisers, 3 destroyers, 5 escort ships, 9 steamers and 4 tankers as well as 1 hospital ship. 5 steamers and 2 tankers were located in Beirut.

2. Own Situation:

Nothing to report.

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3. Transport of Supplies to North Africa:

The Commanding Admiral, German Naval Command, Italy urgently requests the Commanding Officer, Supply and Transports, Italy to furnish replacements for the steamers SAVONA and REGULUS, both of which are out of commission. These replacements are needed for German coastal shipping. Without them it will not be possible to provide the Panzer Army with its minimum of supplies (see Telegram 1335).

The Commanding Officer, Supply and Transports, Italy states in reply that the OSTIA and the PONTINIA as well as temporarily the MENES are assigned to coastal shipping and that 16 new naval barges may be expected to leave from Palermo for Africa by the middle of July.

The convoy of the BIXIO, MONVISIO and ANKARA has again returned to Taranto for unknown reasons. The steamer OSTIA has left Sfax for Tripoli. As had been presumed, the dispatch ship DIANA was sunk by an enemy submarine 70 miles northwest of Tobruk on 29 Jun.. A transport submarine has arrived in Derna and 2 others are en route from Taranto to Derna.

4. Area Naval Group South:

Aegean Sea:

On the night of 30 Jun. enemy planes attacked Candia, Castell, and Tybaki. The net barrages off Candia were completed on 30 Jun.. On 1 Jul. both net barrages were swept together in a northwest gale so that the harbor lies exposed. A minimum of two weeks will be required to lay the nets anew.

The Armed Forces High Command, Operations Staff directed the Commanding General, Armed Forces, Southeast that the "Siena" squadron must also be considered temporarily for shipping reinforcements to North Africa, a task which must be performed with the aid of all available means (see Telegram 2120).

Black Sea:

Enemy Situation:

Air reconnaissance observed 7 PT boats bound for Sevastopol. These boats are probably conveying commissars and other persons who are seeking safety.

Own Situation:

On the night of 30 Jun. no available German and Italian naval forces were deployed off Sevastopol. No reports of successes have as yet been received. For this reason the mine-laying mission by the 1st PT Boat Flotilla of Sevastopol had to be postponed.

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The 11th Army command is planning to stage a landing with the aid of engineer assault boats either to the east or to the west of the Stryeletskaia Bay. In support of the operation the Admiral, Black Sea is providing the 17th Harbor Defense Flotilla for the clearing of mines along the course of the landing force, as well as 4 naval barges for the transport of light artillery and ammunition.

Naval Command Wesemann reports the occupation of the port of Balakiava by a company of marines and Rumanian troops, following the retreat of the Russians. The wharves seem to be fit for use.

8 miles to the west of Ochakov mine-exploding vessel "191" sank after hitting a mine. This has, unfortunately, caused the loss of the only German mine-exploding vessel in the Black Sea.

VIII. Situation East Asia

Nothing to report

IX. Army Situation

1. Russian Front:

Southern Army Group:

The tight encirclement of Sevastopol has been brought near completion. Individual groups had already temporarily penetrated into the city. The Russian's will to resist has been broken. The fortress may be expected to fall at any time.

Continuing the break-through against the enemy forces to the west of the Oskol River, Volokonovka was captured and a bridgehead established. Further to the west our troops are advancing in northeasterly direction. In the north our forces have reached the vicinity of Novy Oskol-Skorodnoie. Army Group Von Weichs made satisfactory progress to the east and southeast, advancing rapidly with the armored units. The area west of Gorshechnoie was reached. The Olym River was crossed north of the latter locality. Attacks against Kastornoie are now in progress.

Central Army Group:

The fight against the partisans who caused the derailment of a hospital train on the Bryansk-Pochep sector is progressing successfully.

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Northern Army Group:

In the advance to the east a number of places were captured to the south of Staraya Russa on the Redvya River. An enemy thrust at the southern front of Demyansk was repulsed.

2. Finnish and Norwegian Front:

No activity to report.

3. North Africa:

Using his armored forces, the enemy offers stubborn resistance to the attack on El Alamein. South of El Alamein the armored forces pierced the enemy defense front during the noon hours. Operations continued until evening.

According to an intelligence report about 19,000 men are said to have been transferred from Syria to Egypt from 18 to 20 Jun. (presumably the 9th Australian Infantry Division and Foreign units).

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Items of Political Importance

France:

A German diplomatic report states that so far as the Laval government's fundamental policy is concerned it would be prepared to risk a diplomatic break with the United States in return for far-reaching concessions from Germany. Since its efforts towards that end failed to materialize, it has resorted to dodging tactics in the knowledge that North Africa's defenses are inadequate and that the domestic situation does not permit a premature conflict with the Anglo-Americans. So long as Franco-German relations are as unsettled as at present, German authorities will see to it that France does not grant extravagant concessions, that she does not tolerate an American infiltration into North Africa, and that proper steps are being taken for preventing an exploitation for propaganda purposes of any goods which America might deliver to her.

Great Britain:

The House of Commons debated a motion for a vote of no confidence in the government. Lord Milne, who had offered the motion, demanded that the portfolio of Defense Minister should be separated from that of the Prime Minister and proposed creating a single Chief of Staff for all 3 branches of the armed forces. By mentioning the Duke of Gloucester for the latter post he provoked general laughter.

Admiral Keyes supported the no-confidence motion on the grounds that the Churchill cabinet is lacking sufficient authority to prevail against incompetent advisers. He specifically referred to the government's failure to make extensive use of the commandos who were previously under his command, and the fact that it had not provided adequate air support for the Mediterranean Fleet.

A detailed report on the debates in both Houses of Parliament is in Political Review No. 152, Paragraphs 2.

Conference on the Situation with the Chief, Naval Staff.

I. Convoy PQ 17 having been spotted, both task forces of the Fleet are as of 1200 standing by for their scheduled transfer to the "Roesselsprung" operations bases. Once the order for commencing the operation has been given they will sail from Trondheim and Bogen Bay at 2000 and 2400 respectively. The Naval Staff, Operations Division is keeping the permanent representative of the Commander in Chief, Navy at Fuehrer Headquarters posted on the development of the enemy situation and the orders of Group North.

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A report from the Deputy Chief of the Naval Staff Quartermaster Division states that an anti-torpedo net has been laid in the Alta Fjord. It is, however, only effective as a defense against submarines and affords no protection against aerial torpedoes.

II. The Chief, Naval Staff Communications Division reports that the Air Force, General Staff has approved the agreement for joint measures against the enemy radar service between Navy Group West and the 3rd Air Force.

III. The Deputy Chief, Naval Staff Quartermaster Division reports that the German Naval Command, Italy has requested a loan of 10,000 tons of fuel oil from Navy reserves for Italian naval forces convoying supply shipments to North Africa. In view of the critical situation the Naval Staff, Quartermaster Division obtained approval for such a step from the Chief of Staff, Naval Staff in the absence of the Chief, Naval Staff. Appropriate action for shipment of the requested quantity of fuel oil has been initiated.

The Chief, Naval Staff approves.

IV. The Deputy Chief, Naval Staff Quartermaster Division further reports on Italy's projected sovereignty in Egypt in the event of that country's occupation as previously described in War Diaries of 30 Jun. and 1 Jul. The Chief of Staff, Naval Staff is of the opinion that the Fuehrer's decision will entail no complications so long as German forces retain complete operative freedom of action in the Suez area. All other viewpoints may without hesitation be subordinated to political considerations which are the determining factors in the Fuehrer's decision.

V. The Foreign Affairs Section of the Naval Staff, Operations Division reports on the following:

a. Negotiations with Switzerland and Portugal regarding ship traffic in connection with the extension of the blockaded area. Portugal is taking a negative stand.

b. The exchange of notes between Argentina and Germany concerning the torpedoing of the RIO TERCERO. It would help to relieve the difficult position of the government of Argentina if the German Navy would agree to stage a ceremony in honor of the Argentine flag at the termination of the war, in accordance with the precedent set in 1917. The Chief, Naval Staff hereby approves the proposal of the Naval Staff.

c. A reply by the Commander in Chief, Navy to Darlan's letter concerning repairs on the DUNKERQUE and the strengthening of anti-aircraft defenses at Toulon.

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The Naval Staff proposes that an affirmative answer be given to the first point. Concerning the question of strengthening the anti-aircraft defenses, the reply should state that this comes under the jurisdiction of the Air Force and that the consent of the Italians is indispensable.

The Chief, Naval Staff is in accord.

Fuller particulars concerning paragraphs "a" to "c" in War Diary, Part C, Vol. VIII.

VI. The Naval Attache in Tokyo reports that he has thus far been unsuccessful in obtaining Japanese consent to Captain Vermehren's assignment at Singapore despite most strenuous efforts. In view of this unfriendly and mistrustful attitude of our Japanese ally, Captain Vermehren will be assigned to Etappe Tokyo for matters pertaining to blockade-running. Meanwhile, efforts to have him assigned to the first post will be continued.

In a Very Restricted Circle:

VII. Report by the Chief of Operations Branch, Naval Staff, Operations Division concerning the order of the Italian High Command dated 29 Jun. issued to the High Command, North Africa and to the Commanding General, Armed Forces, South:

1. The Duce orders that a friendly attitude be maintained towards the authorities and population of Egypt if they prove worthy of such treatment.

2. The Air Force is to confine its attacks to military targets.

3. Tasks of the German and Italian Air Forces:

- a. Supporting land fighting.
- b. Combatting enemy naval forces and laying mines in the harbor of Alexandria and in the Suez Canal.
- c. Harassing enemy supply lines.
- d. Patrolling supply routes out of Upper Egypt.

According to a report from the German General in Rome to the Armed Forces High Command, Operations Staff, the Duce landed at the Derna airport on 29 Jun.

VIII. Another report of Chief of Operations Branch, Naval Staff, Operations Division:

Group North has examined the question concerning shifting

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the routes in the North Sea in accordance with the directive of the Naval Staff (see War Diary 18 Jun.) and has reported ordering change of route through quadrants 8323 and 8311 as an immediate measure. Plans also include clearing away of mine fields 1, 2 and 3 for the purpose of providing a system of alternate routes.

On 27 Jun. the Naval Staff granted authorization to proceed with the sweeping of these mine fields.

Group North will lay down a new "Westwall" mine field in the area of the old fields 1 to 6 on the line leading from the old field 4a to field 9 so that the new field 6a (Thusnelda) can be laid properly. Group North also proposed laying mine field 5a from quadrant AN 6864 upper right corner to quadrant 6833 lower left corner to replace the old fields 1 to 4. These new mine fields 5a and 6a mean that obsolete routes I and II are definitely abandoned. Should the need arise a new route could be created north of mine field 6a through the old field 9. The Group also proposes a mine field 10a from quadrant AN 6626 KM to AN 6385 KL. Renewal and strengthening of the southwestern mine fields 0, 1, and 2 is contemplated in the autumn, since the nights are too short at present for the performance of this task. The Group is in essential agreement with the idea of the Naval Staff that the possibility of an enemy landing on the Dutch coast has made it particularly urgent to strengthen the southwestern mine fields.

The Chief, Naval Staff is in accord.

Special Items:

I. The Naval Staff, Operations Division has examined the problem of furnishing 120 naval barges for operation "Wiesengrund" with the Naval Staff, Quartermaster Division and Construction Division. If this operation begins before 1 Oct. 1942 there will be no other way of meeting the requirement except by using the barges of the 21st and 23rd Air Forces. It will require 8 weeks from the time the order is given to the time of the arrival at the place of assignment. Beginning about 1 Oct. 1942 it will no longer be necessary to draw on the 21st and 27th Air Forces, since it is anticipated that a sufficient number of new naval barges will have been constructed by that date.

The Naval Staff requests, therefore that if operation "Wiesengrund" should take place during the coming fall the Armed Forces High Command, Operations Staff advise them 8 weeks in advance of the scheduled date of attack. This much time is necessary to assemble, transfer, and train the invasion flotillas, insofar as their component vessels are still being used in other places from which

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they cannot be withdrawn prematurely without detriment to the transport of supplies in the East and in the arctic region.

The Naval Staff, Operations Division has also requested a flotilla staff for landing operations. The Naval Staff, Quartermaster Division is making the necessary arrangements for this purpose.

Finally, an order has been issued by the Chief, Operations Division, Naval Staff to Naval Group South to assemble for immediate commitment a landing flotilla in the Black Sea from the landing craft available in that area.

II. Group North has submitted an exhaustive report concerning measures which it has already taken or which are scheduled for the strengthening of coastal defenses in those sectors which are likely to be chosen by the enemy for landings or forays within the area under the command of the Group:

- a. The coast of Holland, particularly the stretch between Texel and Flushing.
- b. The west coast of Denmark as far as Skagen.
- c. The Norwegian coast.

The report includes pertinent requests with respect to organization, mine-laying and blockading in so far as necessary.

Report as per 1/Skl 14504/42 Gkdos. has been filed under Vol. 2, file 1, pages 92-109.

For consent to the proposal contained in this report concerning the assignment of the 7th Mine Sweeper Flotilla to the Commanding Admiral, Defenses, North and the 15th Mine Sweeper Flotilla to the Commanding Admiral, Norway see War Diary 1 Jul.

Naval Staff, Operations Division is in full accord with the plans of Group North and supports unreservedly the proposals, which are to be dealt with further by the Naval Staff, Quartermaster Division. The only exception is the proposal for the assembly of another motor mine sweeper flotilla for the Commanding Admiral, Defenses, Baltic Sea from the motor mine sweepers available at the Deputy Admiral, Submarines. The assembly of such a motor mine sweeper flotilla could only be considered if it will not injure the submarine training program.

III. Report of the Fleet Command concerning the schedule for the naval forces of the Fleet for Jul. 1942. Training operations at sea have been greatly curtailed due to the shortage of fuel oil.

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THEODOR RIEDEL	On operational assignment.
PAUL JACOBI	In for engine overhaul until Sep. 1942.
Z "31"	Tests and uncompleted work.
Z "37"	Commissioning.
c. 8th Destroyer Flotilla:	
Z "23"	Training to be followed by operational assignment.
Z "24"	Operational assignment and in dock.
Z "25"	Engine overhaul.
Z "27"	On operational assignment.
Z "28"	On operational assignment.
Z "29"	On operational assignment.
Z "30"	On operational assignment.

5. Torpedo boats

a. 2nd Torpedo Boat Flotilla:

T "4", T "7", T "10"	Training and operational assignment.
T "9", T "12"	At the disposal of torpedo training school.
T "5"	Engine overhaul.

Reserve boats

T "2", T "11", T "3"	In dock.
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b. 3rd Torpedo Boat Flotilla:

T "13", T "14", T "15"	Training and operational assignment.
T "16", T "17"	Repair or engine overhaul.
T "18", T "19"	Available for torpedo training school or on operational assignment.

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T "20", T "21"	Tests after being commissioned.
c. 5th Torpedo Boat Flotilla:	
FALKE, KONDOR, JAGUAR	To remain in dock until Sep., the JAGUAR until Aug.
MOEWE	Tests and training until the end of Jul. 1942, or to be used for torpedo training school.
T "22", T "23"	For completion of work, tests, and training.
6. <u>PT boats</u>	
The 1st, 2nd, 3rd, 4th, 6th, and 8th PT Boat Flotillas	On operational assignment.
5th and 7th PT Boat Flotilla	Training in the home area.
7. <u>Mine Layers</u>	
OSTMARK, ROLAND, ULM	Operational assignment with Group North.
SKAGERRAK	Operational assignment with Commanding Admiral Norway.
BRUMMER	Engine overhauling. Later operational assignment with Group North.
KAISER	Operational assignment in the Baltic area. (Under tactical command of the Commander Mine Sweeper, Baltic Sea.)
COBRA	In dock (at Rotterdam) until about the end of Jul. 1942.

IV. The Hydrographic Department is planning to reorganize the mine intelligence service.

The Naval Staff, Operations Division is essentially in accord with the outlined plan but requests that the comments of the Group Commands and the Fleet be obtained, while itself commenting on specific points.

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A copy of the corresponding communication l/Skl I E 14883/42 Gkdos. sent to the Hydrographic and Meteorological Division in War Diary, Part C, Vol. VI.

V. A comparison of the number of mine-exploding vessels which were requested by the Group Commands West and North with the number actually available as of the beginning of Jun. 1942 shows that there is a surplus of 6 large mine-exploding vessels and a shortage of 7 small vessels of that type. The Naval Staff, Operations Division has informed the Naval Staff, Quartermaster Division of the consequent requirements with regard to mine-exploding vessels. Copy of the corresponding communication l/Skl I op 14675/42 Gkdos. in War Diary, Part C, Vol. VI.

VI. The Armistice Commission transmits the following report from the French delegation:

a. The American Charge d'Affaires at Vichy called on Rear Admiral Auphan at noon of 1 Jul. The purpose of his call was to ascertain the intentions of the French government with respect to its naval forces in Alexandria. Auphan declared that the French Government has no other aim than to keep the ships under the French flag according to the armistice agreements. The American request that in the event of a withdrawal of British combat forces from Alexandria the French ships should proceed to the Red Sea was categorically rejected.

b. In the afternoon of 1 Jul. the American Charge d'Affaires called on Laval who received him in the presence of Auphan. In the course of this visit the French Government, in order to avoid any possible misunderstanding concerning its decision, handed a note to the American Charge d'Affaires. The note contains the following declaration:

"The French Government wishes to retain possession of the French ships at Alexandria by every means possible. Should the British Navy retreat from Alexandria, the French Government will not tolerate any compulsory measures by the British against the French ships. They will defend themselves with all available means."

Vice Admiral Godfroy has received orders to reject demands to join the British naval forces in the event of their withdrawal from Alexandria. Grave consequences will follow if an attempt should be made to repeat the outrage that took place at Mers el Kebir.

In conformity with the terms of the armistice agreement all French warships must remain French. The French Government would be most gratified if ships of the French fleet were allowed to proceed undisturbed from Alexandria to the nearest French port.

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The Naval Staff finds itself fully in accord with the position taken by the French Government since any likelihood of getting the French ships under our control by some means must be excluded.

VII. For a compilation of enemy reports intercepted during the week of 22 to 28 Jun. by radio decoding and monitoring service see Radio Intelligence Reports No. 26/42 of the Naval Staff, Communications Division, Communications Intelligence Branch.

Important data secured through radio decoding:

A British Admiralty report of 13 May contains the information that 3 British and 2 Allied steamers were sunk 700 miles west of Ireland out of a convoy bound for America. According to a further report of the Admiralty the submarine URGE, commissioned in 1942 and stationed in Malta, has been lost.

Situation 2 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

The cruiser DIOMEDE left Montevideo on 26 Jun.

According to a decoded secret report of the Admiralty, on 15 Jun. a convoy ran into the mine field off Agulhas. The destroyer tender HECLA as well as an 8,000 GRT steamer were damaged. The HECLA reached a port.

Thus information has been obtained about the second and third successes of the DOGGERBANK in this mine field.

Indian Ocean:

After the attack on a steamer by a Japanese submarine north of the Mozambique Channel on 1 Jul., a report of 2 Jul. states that another steamer was attacked 30 miles south of Mozambique, but without success.

This evidence of Japanese activity at this important point along the enemy supply routes to India and the Near East is most welcome news.

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2. Own Situation:

According to a report of the Japanese Navy the prize ships NANKIN and HERBORG reached Batavia on 25 Jun. and 29 Jun., respectively. They will proceed to Yokohama at the earliest possible date.

This highly gratifying news has been communicated by the Naval Staff to ship "10" by Radiogram 0104.

By Radiogram 1834 all forces in foreign waters were informed concerning radio communications between Norddeich and Japanese submarine.

Information concerning enemy situation by Radiograms 1517, 1751, 1946.

II. Situation West Area

1. Enemy Situation:

A convoy consisting of 71 steamers escorted by 1 destroyer and 3 corvettes, which set out from Gibraltar, was observed by reconnaissance of the Air Command, Atlantic Coast at 0845, 100 miles west by southwest of Cape St. Vincent on a 330° course.

The German Armed Forces Intelligence Center, Spain believes that the enemy formation composed of 11 ships and 1 carrier (see War Diary 1 Jul.) which was reported on 29 Jun. near Fayal (Azores) has been assigned the task of escorting the above convoy.

2. Own Situation:

Due to fog the torpedo operations of the 2nd and 4th PT Boat Flotillas planned for the night of 2 Jul. have had to be abandoned. The target tug LE VENT struck a mine and sank on 1 Jul. east of point "Herz" 446.

III. North Sea, Norway, Arctic Ocean

North Sea:

1. Enemy Situation:

Convoys composed of 30 steamers were observed off the Humber and entering the Wash; 1 convoy made up of 5 steamers was located off Great Yarmouth.

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2. Own Situation:

On the night of 30 Jun. 6 Dutch fishing trawlers were subjected to search by British PT boats. On the night of 1 Jul. enemy planes unsuccessfully strafed ships of the Rhein Flotilla near Domburg. The 21st Mine Sweeper Flotilla drove off the enemy raiders. Enemy planes dropped mines in the German Bight.

The 21st and 22nd Mine Sweeper Flotillas have started sweeping mine fields "SO 1" and "SO 2" without success up to the present. In the afternoon and evening enemy air activity increased over the German Bight and Schleswig-Holstein. It is suspected that the enemy scattered mines off the Ems estuary and at Borkum. Pursuit planes gave chase without contacting the enemy.

The Air Force Operations Staff directed the Commander, Central Air Force to arrange with the Commanding Admiral, Defenses, North to have our fighter planes appear at least from time to time over our convoys when a large number of Swedish steamers is included in the convoy. This measure is to be adopted inasmuch as Swedish captains have begun to decline sailing the North Sea lanes, claiming that the British are furnishing far better fighter protection. This directive is to be carried out insofar as other missions and the fuel situation will permit.

It would be still more welcome if the convoys of the Commanding Admiral, Defenses, North were given actual instead of token protection.

Norway:

On 30 Jun. battery 454 fired thirty one 21 cm. shells at the Rybachi Peninsula. An enemy gun is believed to have been put out of commission.

Slight damages were inflicted by the enemy on 30 Jun. during enemy air raids on Kirkenes and Petsamo. See Aerial Warfare in War Diary 30 Jun. for the report concerning the loss of 21 bombers at the Banak airport.

2 enemy planes unsuccessfully attacked the Norwegian steamer HAVKONG on 2 Jul. in the Brei Sound.

The Vest Fjord mine field, in the area of Admiral, West Norwegian Coast, was cleared and a new anti-submarine mine field laid in the Nord Fjord according to plan.

The Commander, Mine Sweepers left Stavanger on the afternoon of

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1 Jul. with the OSTMARK, BRUMMER, K 1 and K 4 as well as motor mine sweepers for operation "Erika". The mission was carried out according to plan on the night of 1 Jul.

Arctic Ocean:

1. Enemy Situation:

Convoy PQ 17, consisting of 25 steamers, was reported at 1530 on 1 Jul. and was again seen at 0344 on 2 Jul. by submarine U "456" in quadrant AB 4914. Submarines maintained contact with the convoy throughout the day. According to radio monitoring and air reconnaissance, convoy PQ 13 was already in quadrant AB 5426 at 1050. It was spotted by submarine U "88" in quadrant AB 5492 at the same time. Contact was maintained until 1431. Thus it can be seen that these two convoys have already passed each other.

The Air Force maintained intermittent contact with convoy QP 13 from 1015 to 1330. Convoy PQ 17 was spotted at 1239 and 1420. It was reported to consist of 32 to 37 steamers, 12 destroyers and 4 corvettes.

Since 2100 on 1 Jul. no further reports have been received concerning the enemy force which had been spotted on 1 Jul. Likewise no other enemy forces reported in the Arctic Ocean since that date.

Very difficult conditions prevail in the operations area due to fog banks.

2. Own Situation:

At 1250 Group North reported an order to transfer Task Forces 1 and 2 for operation "Roesselsprung".

The Naval Staff has been concerned for quite some time that the enemy would delay starting his PQ 17 and QP 13 convoys until the fogs known to prevail in July would create more favorable conditions. Therefore, our own operational conditions have in every respect grown worse than they would have been in the month of June. Nevertheless, there still exist definite opportunities for our task force to attack. For this reason it seems proper to transfer the task forces to the north as planned, particularly since the meager reports thus far available do not yet allow any conclusions as to the probable behavior of the enemy escort force.

The Admiral, Arctic Ocean rightly insisted on the assignment of 6 submarines to the patrol line scheduled for 1400. At 1618 he

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issued instructions allowing all boats, with the exception of the shadower, to attack at their discretion. Submarine U "367" attempted to attack but was beaten off by a destroyer. Submarine U "253" reported firing on a destroyer and missing twice.

After submarine U "88" had spotted convoy QP 13, all submarines were ordered not to engage it. After a temporary improvement in visibility in the course of the day, the weather turned worse.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to radio monitoring 1 submarine depot ship and 9 submarines were at sea. Submarine S "7" was supposed to be transferred from Kronstadt to Lavansaari between 1 and 3 Jul., proceeding surfaced. A mine layer reported that she had repeatedly detected the sound of a submarine to the north of Sassnitz.

2. Own Situation:

On the night of 1 Jul. a number of enemy planes laid mines in the Baltic Sea entrances. During the day ground mines were cleared at Buelk, Helsingoer, Korsoer and Kjelsnor. Twenty four mine detonations, probably among mines which were laid on the previous night, were observed at 54° 43.7'N and 10° 46.4'E.

In the afternoon 5 low flying enemy planes penetrated as far as Flensburg and dropped bombs, damaging the new shipyard and the gas works. For details see Telegrams 1909 and 2000. Anti-aircraft fire from the THETIS was effective.

Mine field "Nashorn IX" was laid in Kronstadt Bay according to plan.

The Navy has promised the Northern Army Group prompt delivery of one 15-cm coastal battery from the home area and one 7.5-cm or 8.8-cm battery from the area of the Admiral, Baltic Countries. These batteries will be used for combatting enemy shipping in the Gulf of Finland.

V. Submarine Warfare

1. Enemy Situation:

Reports have been intercepted that submarines were sighted

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east of San Juan, northeast of Cape Charles and near the Great Bahama Bank. It is only now revealed by radio decoding that on 14 Jun. 1 British submarine was in position south of the Scilly Islands and 1 at 49° 30' N and 07° 40' W.

2. Own Situation:

For information concerning submarine operations against convoys PQ 17 and QP 13, see situation Arctic Ocean. For details see supplementary submarine situation report in War Diary, Part B, Vol. IV.

No other reports of successes have been received.

VI. Aerial Warfare

1. British Isles and Vicinity:

On the night of 2 Jul. enemy air activity over the north-western part of Germany, with Bremen as the main target.

2. Mediterranean Theater:

Air operations are concentrating on the El Alamein area. Reconnaissance flights over the eastern Mediterranean and the area between Alexandria and Port Said.

3. Eastern Front:

Air operations centered on the support of the attacking armies of the Southern Army Group.

In the Black Sea area the Air Commander, South reports successful attacks against ships at Anapa, Temryuk and Novorossisk. During these attacks 2 destroyers and the training ship KOMINTERN were damaged and a few smaller coastal vessels were sunk. For particulars see daily situation report.

The 5th Air Force reported the renewal of successful assaults on the power station at Murmasni as well as against anti-aircraft installations in the Rosta area.

For data concerning the use of forces of the 5th Air Force for reconnaissance and against convoy PQ 17 see situation Arctic Ocean.

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VII. Warfare in the Mediterranean and in the Black Sea

1. Enemy Situation:

Mediterranean:

On 1 Jul. a cruiser of the CALEDON class left Gibraltar for the east.

The first published report of the U.S. naval forces in Europe contains a description of the manner in which the carrier WASP delivered planes to Malta without damage to the ship or its escorts. The American report presumably refers to the transfer of 47 planes about which the German Air Force had reported on 21 Apr. Air reconnaissance had located an aircraft carrier north of Algiers on 20 and 21 Apr. The ARGUS and the EAGLE had been spotted in port.

On the night of 2 Jul. radio monitoring intercepted a report from a British plane concerning an unsuccessful bomb attack on one of our convoys consisting of 3 steamers, 8 miles west of the island of Paxos (probably the convoy of the BIXIO).

Photo reconnaissance revealed that the floating dock and the dry dock in Alexandria were unoccupied. Only 1 small warship, 1 hospital ship, 1 tanker and 2 steamers could be discerned on the photos, in addition to the French warships.

At 1800 air reconnaissance located an eastbound naval force off Damietta, consisting of 3 heavy warships and including what appeared to be a battleship (QUEEN ELIZABETH). The report also spoke of brisk traffic of merchantmen and convoys between Port Said and Jaffa. No change was found in the ships lying in the harbors of Haifa and Beirut.

According to radio decoding the French Admiral aboard the DUQUESNE (in Alexandria) received an order from the French Admiralty Staff to carry out his instructions to the letter. The order stated that the German and Italian governments promised not to confiscate the French vessels.

2. Own Situation:

The 3rd PT Flotilla did not carry out any missions due to weather conditions. 3 PT boats have entered Suda on their run from Augusta to North Africa.

The Operations Staff of the German Naval Command, Italy moved from Tobruk to Marsa Matruh. The Commanding Admiral will follow on 2 Jul.

3. North African Transports:

The steamer OSTIA put into Tripoli on 1 Jul. The convoy

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of the BIXIO, MONVISO and ANKARA departed from Taranto and is en route to Benghazi.

Coastal supply shipments to Tobruk and Marsa Matruh are proceeding according to plan.

Cargo discharged on 1 Jul.: Tobruk 735 tons, Marsa Matruh 220 tons. For particulars see Telegram 1805.

4. Area Naval Group South:

Aegean Sea:

Destroyer ZG3, the BULGARIA, the BARLETTA, 2 Italian torpedo boats and 2 submarine chasers left Piraeus at noon of 1 Jul. in order to lay the "Ost-West-Wall Aegaeis" mine field.

The Naval Staff does not regard this task as of paramount importance at this particular time in view of the vital need for shipments to North Africa. All ships must be used for the latter purpose.

Due to weather conditions all convoys have been postponed for 24 hours.

Black Sea:

Enemy Situation:

Radio monitoring reports the presence of 1 destroyer, 1 submarine depot ship and 15 submarines in the northern Black Sea. Cruiser D was located at sea between the southern tip of the Crimea and the northeast coast.

Own Situation:

In view of the unexpectedly rapid development of the army operation, the landing operation planned by the 11th Army Command has been cancelled. (See War Diary 1 Jul.)

On the night of 30 Jun. Italian subchasers sank a Russian motor boat near Cape Sarych. The 1st PT Flotilla fought an engagement with 2 Russian PT boats and sank both of them. A commissar was among the 37 captured. Code material and secret documents were also captured. PT boat S "102" had to be towed into Yalta, having sustained a hit in her engine.

The Port Commander of Sevastopol arrived there on 1 Jul. After the withdrawal of the 11th Army Command the Army will remain in charge of the artillery defense of Sevastopol.

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Even though naval forces could do but little so far as direct participation in the capture of the fortress of Sevastopol is concerned, the employment of light naval forces resulted in considerable interference with enemy supply movements. It has been pointed out once before that lately ships plying in and out of Sevastopol did so only during the night and that the use of larger ships for the delivery of supplies had been completely abandoned. The cooperation of the German and Italian naval forces undoubtedly hastened the collapse of enemy resistance against the units of the 11th Army Command and the VIII Air Corps which deserve the highest admiration for their outstanding achievements.

Special Items:

According to information sent to Group South by the Commanding General, Armed Forces, Southeast, the Armed Forces High Command has ordered that except for one company the units of the Fortress Division which are stationed on the mainland are no longer to be transferred to Crete. Since it is temporarily necessary to use the "Siena" Squadron for the supply service to North Africa, the fortress of Crete will have to depend for a limited time on stores on hand. However, the supply of the required war material for the Air Force has to be assured under all circumstances. The fortification of Crete and its equipment with guns is to be continued as per plans. The coastal batteries which are expected to arrive from the Reich are to be emplaced as planned.

Group South is investigating how much shipping space can be devoted to the shipment of supplies to North Africa if the above demands of the Armed Forces High Command are taken into account.

VIII. Situation East Asia

Nothing to report.

IX. Army Situation

1. Russian Front:

Southern Army Group:

On the afternoon of 1 Jul. enemy resistance before and inside Sevastopol collapsed. The fortress was abandoned to our

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troops. The enemy remnants which had withdrawn from the city were crowded into the westernmost tip of the Kherson Peninsula on 2 Jul. where they are being annihilated by artillery and aircraft. The city has been mopped up according to plan.

Thus the "strongest fortress in the world" fell after a 25 day assault despite the most determined and grim defense and the Eastern Army has been freed from a very serious threat to its rear, a threat which continuously tied up heavy German forces. This opens a supply channel in the Black Sea which can be of decisive importance for the further development of Army operations in the east.

An enemy night attack was repelled north of Taganrog. Enemy losses were high. Operations of the 6th Army progressed according to plan. On the northern wing our forces succeeded in advancing as far as the river Orlik. The main body of enemy forces to the west of Skorodnoie is retreating to the north.

Army Group Von Weichs is advancing on Stary Oskol from the north and south. The 24th Panzer Division and Infantry Division "Grossdeutschland" launched attacks to the southeast from their bridgeheads. In the area south of Livny the enemy has thrown in strong armored forces in an assault against the flank of our advancing divisions. It has been observed that the enemy is bringing up strong forces from the north.

According to a directive of the Armed Forces High Command the designation "Blau", which had been used hitherto for the overall operation, has been changed to "Braunschweig". The subsidiary operations "Blau I" and "Blau II" will henceforth be known as "Clausewitz" and "Dampfhammer".

Central Army Group:

Our forces continued to fight the partisans in the southern area. At the northern sector our shock troops have carried out a series of successful operations. Units of Group Eisebeck attacked to the east and northeast at Byeloi, and in the southeast succeeded in gaining ground as far as Bossino.

Northern Army Group:

Nothing to report.

Finnish and Norwegian Front:

Nothing to report.

North Africa:

The enemy is offering stubborn resistance from the still

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occupied strong points of the El Alamein position. Defense installations are partly concrete and have partly been reinforced by fortified positions for tanks. The 1st Panzer Division repulsed a counterattack in the middle sector inflicting losses on the enemy.

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Items of Political Importance

France:

According to information received through diplomatic channels on 26 Jun., Laval issued the following instructions to the Commanding Admiral of the French warships in Alexandria:

1. To act on his own in keeping with the circumstances.
2. In the event of a British withdrawal from Alexandria, the French vessels are to put into the nearest French port and are to stay away from British ports under all circumstances. The Axis powers have been informed to this effect.
3. Should it be impossible to carry this out, the ships are to remain in French hands and, should the British offer resistance, they are to be sabotaged or scuttled in such a manner that they can be raised again at a later date.
4. Under no circumstance should the ships be permitted to fall into British hands.
5. Under no circumstances should the ships join the British fleet in the event of its withdrawal.

According to Laval the loyalty of Admiral Godfroy is beyond a shadow of a doubt.

On 2 Jul. a rumor began circulating that Admiral Godfroy had received a British ultimatum. Thereupon the German government instructed the German Armistice Commission to advise the French that Germany would consider as a breach of the armistice any action favorable to the British ships and not in accord with the orders of the French Admiralty. On 3 Jul. the French delegation replied by making known the following telegram from Godfroy: "No ultimatum received up to the present. Have no intention to accept one."

According to a report from the Foreign Ministry, Laval on 2 Jul. brought to the attention of the United States Charge d'Affaires the text of the German communication bearing on the treatment of the French warships in Alexandria and pointed out to him that any use of force on the part of the British would have serious consequences. On 3 Jul. the United States Charge d'Affaires in a note from his government proposed to the government of France to place the French warships in Alexandria under United States protection; the note further proposed that these warships be transferred to an American port, via the Suez Canal, the port to be decided upon at a later date. The return of the ships to France upon termination of the war would be guaranteed. Should this proposal be rejected, the United States Government will consider the British fully justified in using force against the French ships in order to make them abide by its orders. Laval indignantly rejected this note as being completely unacceptable and insulting to France.

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Fuller particulars bearing on this whole issue in War Diary, Part C, Vol. VIII.

Great Britain:

In a statement to the House of Commons Churchill called the fall of Tobruk a very heavy blow which might have immeasurable repercussions on Turkey, Spain, France and French North Africa. He stated that the Americans had proved their true friendship more than ever during these difficult days and that ways and means for putting an end to the shipping shortages have been found in joint conferences. As a contrast to the loss of Tobruk, Churchill then went on to stress most vigorously the defense of Malta, referring also to the participation of the U.S. carrier WASP. He stated that unfortunately it had not been possible to prevent strong reinforcements from reaching Rommel. He then attempted to show that in view of the prospect of a long war the outlook for the Allies has considerably improved since the turn of the year. It is still possible to divert strong forces to the Near East. He absolutely declined to relinquish responsibility for directing Britain's defense effort. The motion of no confidence was defeated by a vote of 475 to 25. For a detailed report on the above see Political Review No. 153, Paragraph 2 and Foreign Press Review, No. 317.

Russia:

According to a report from the Military Attache in Tokyo, the Japanese armed forces in Manchukuo, particularly the air forces, have been considerably reinforced. The Attache interprets an announcement of the Japanese General Staff as indicating that Japan expects a change in Russo-Japanese relations within the next 2 to 3 months, and that further developments might very well lead up to a fundamental change.

Turkey:

According to an Embassy report the Turkish government aims to take title to the 4 interned American planes on the basis of the Lend-Lease Law. The German government has no objection so long as the crews remain interned.

It is apparent that the capture of Sevastopol has given a further boost to the wave of pro-German feeling which followed our successes in North Africa.

Conference on the Situation with the Chief, Naval Staff

I. The Chief of Operations Branch, Naval Staff Operations Division comments on the report of the Army General Staff, Intelligence Division concerning the possible effects of blowing up the Assuan dam.

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Such a step would not constitute a serious obstacle to military movements in the Nile Delta proper, destructive as its consequence might be in the Nile Valley itself.

II. A further report concerns Group North's operations plan for the cruiser KOELN, which may be found in War Diary of 26 Jun..

III. The Chief, Naval Staff Communications Division reports about Group West's request for priority in the allocation of radar instruments to the Seine Bay area. The proposals will be met as technical facilities permit.

IV. The representative of Naval Construction Division reports about the French shipyard labor situation as determined by a survey of the Deputy for Labor Procurement. Out of a total of 9,500 shipyard workers, 5,000 are employed in French shipyards. The others cannot be employed in German shipyards until unskilled labor has been found to replace them. Procuring these replacements is almost completely out of the question for the present since all labor is at the disposal of the Todt Organization. The Naval Construction Division is ordered to see to it that replacements are procured from among the prisoners of war or the 350,000 French workers slated for work in Germany.

V. The Chief, Naval Staff reports that the Fuehrer has suggested the construction of submarine pens at Emden. The problem is being examined by the Naval Construction Division.

The Fuehrer has also suggested that the PT boats might be given larger guns and heavier armor so that they might be a match for the new British turbine-driven boats. This problem has been under consideration for some time.

VI. On the occasion of his visit to Reval the Commander in Chief, Navy was informed that plans for the future development of that city are being drawn up, in which the interests of the Navy and Merchant Marine are subordinated to the viewpoints of city and landscape architecture. Although the Navy is not supposed to concern itself with post-war problems of this kind, it has no alternative but to take care that its interests are not being neglected.

VII. Report of the Chief, Bureau of Naval Administration:

The Armed Forces High Command has issued a directive to the effect that men classified as Army replacement reserves who are needed for submarine construction are to be reclassified as Navy replacement reserves. The order does not specify what categories of labor are to be affected and, above all, whether or not the supply industries are to be included. It is absolutely necessary that they should be included.

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The Chief, Naval Ordnance Division reports in this connection that information obtained from Minister Speer and Gauleiter Sauckel shows that the necessary labor force for work in shipyards cannot be recruited without falling back on Armed Forces labor reserves. Minister Speer leaves it to the Commander in Chief, Navy to inform the Fuehrer accordingly.

VIII. The Deputy Chief, Naval Staff Quartermaster Division reports on the priority rating of the Navy's plans for new construction and repairs. (See War Diary of 29 Jun.) The list which has been prepared by the Naval Staff, Quartermaster and Operations Divisions is thoroughly discussed. There is no doubt as to the priority of construction and maintenance of submarines and light naval forces, including those vessels which are intended for use in convoy duty and mine sweeping operations. The Chief, Naval Staff decides that the completion of the GRAF ZEPPELIN and the conversion of the steamer EUROPA into an auxiliary carrier should be given fifth place. The raising of submarine construction to 25 per month he assigns sixth place on the list and in the seventh place he puts the conversion of the other auxiliary aircraft carriers while the reconditioning of the GNEISENAU is relegated to the eighth place.

The Navy plans will be affected by the fact that the Reich Commissioner of Shipping has in the meantime worked out a comprehensive program of new merchant ship construction and repair and that he has obtained the Fuehrer's approval for the program. In accord with it, all naval construction facilities temporarily unused must be put at the disposal of this program.

Justified as the above order is in principle, there is reason to fear that it will be impossible to avoid serious difficulties in its practical fulfillment.

IX. The Chief, Naval Staff Communications and Intelligence Division reports on the attempts of the United States Government to intervene in the question of the French warships in Alexandria. (See Items of Political Importance, France.)

In a very restricted circle:

X. The Chief of Operations Branch, Naval Staff Operations Division reports on the start of operation "Roesselsprung". The Trondheim and Narvik Groups set out at 2000 and 2400 respectively, according to plan. The LUETZOW turned back to Bogen Bay after running aground. This highly regrettable mishap, caused by fog, has no effect on the operation.

According to a submarine report convoy PQ 17 was in quadrant AB 5251 at 2400. Since 0150 our Air Force has maintained contact with a carrier, and probably also with a battleship and 2 cruisers in quadrant AB 7890. The course is not indicated exactly. Group North is of the opinion that a single enemy force is involved, consisting of an aircraft carrier, 2 battleships, 3 cruisers and 5 destroyers. Its position is only slightly farther northeast than was to be expected.

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The departure of our combat forces, as far as is known at present, has gone unnoticed. If the enemy group remains in its present position, its distance from the convoy is so great that it does not seem to call for a change of objective for operation "Roesselsprung". In the event that the enemy group should follow the convoy, Group North intends to transfer the 1st Task Force to the Alta area and to stage the assault by both task forces from that position as the situation might require. Due to heavy fogs our air reconnaissance of the enemy force is seriously hindered at present.

The LUETZOW is in full combat readiness with respect to engines and guns. Her participation in the operation is out of the question, however. It is desirable that a decision on the transfer order be forthcoming by 2000. The permanent representative of the Commander, in Chief, Navy at Fuehrer Headquarters is being kept posted continually.

XI. The permanent representative of the Commander in Chief, Navy at Fuehrer Headquarters reports that the Fuehrer is entertaining the idea of leaving Crete completely to the Italians and of transferring the German infantry from that place to Rommel. The Fuehrer holds that Crete would no longer be menaced once Egypt and the Suez Canal are in our hands. The transfer of German troops involves a vast new transport program.

The Chief of Operations Division, Naval Staff stresses in this connection the need for continuing the naval barge construction program which was to come to an end with the construction of about 460 barges, since this type of vessel has proved its extraordinary value in all theaters of naval war due to its manifold adaptability and since the demand for it will constantly continue to grow.

The Chief, Naval Staff is in accord with this. The Naval Staff, Quartermaster Division will take charge of further steps.

XII. The Chief of Operations Branch, Naval Staff Operations Division discusses the report to the Armed Forces High Command of the German General at the Italian Army Headquarters dated 2 Jul.: After breaking through positions to the east of El Daba, the Panzer Army plans to advance on Alexandria, blocking off the latter with the XXI Army Corps, and to move on to Cairo and the Suez Canal by way of Wadi Natrun as per instructions of the Italian High Command.

The positions to the east of El Daba were rapidly broken through despite stubborn resistance.

The Commanding General, Armed Forces, South has given the assurance that personnel replacements for the Panzer Army and the Air Force will be flown to Africa by 18 Jul..

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XIII. The Chief of Operations Branch, Naval Staff Operations Division reports on the Fuehrer Directive of 1 Jul. concerning the opening of naval hostilities against Brazil.

The Fuehrer ordered as follows:

1. The submarine operations planned against Brazilian ports should not be undertaken for the time being, for reasons of a political nature.

2. Permission is given to fire without warning on all Brazilian merchant ships.

3. Firing on Brazilian warships is sanctioned only insofar as they show a disposition to give battle, or when they are found performing convoy duty for merchant ships which cannot be identified as belonging to the Brazilian merchant marine.

A corresponding directive of the Naval Staff has been issued to the Commanding Admiral, Submarines with copy to Group West. The Foreign Office has been informed about this directive.

The Naval Staff has refrained from issuing such a directive to the auxiliary cruisers since the sinking of a Brazilian merchant ship is apt to give rise to unpleasant complications. (Prisoners, etc.)

XIV. As part of a wider defense plan for combatting the increased danger of invasion, Group West is planning to lay mine fields in the Baie de la Seine and has therefore asked the assignment of a mine-laying vessel. The Naval Staff considers the planned mine fields more urgent than any other mine-laying operations now under way so that the withdrawal of mine-laying vessels from the area of Group North would be fully justified. However, the transfer of vessels of that size to Cherbourg and particularly their run through the Strait of Dover involves the risk of total loss. Likewise, the risks incurred at Cherbourg and during the mining operations proper are extremely high. However, since about 500 mines (300 standard mines types C and G and 200 dummies) are involved in each mine field, according to the plan of Group West, the operation could be carried out by 4 torpedo boats or mine sweepers, each laying a section of the mine field.

The Group has therefore received a corresponding directive from the Naval Staff.

The Chief, Naval Staff is in accord.

XV. Group West has dispatched to the Commander in Chief, West, with copy to the Naval Staff, an evaluation of the enemy situation based on photo reconnaissance of the 3rd Air Force which was carried out along the southern coast of Britain with a view to ascertaining enemy landing plans. The Commander in Chief, West has fully utilized this evaluation in his own report to the Armed Forces High Command, Operation Staff on the same subject. (Compare the statement in War Diary of 30 Jun. which anticipates essentially the ideas of Group West on the subject.)

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XVI. According to a communication of the Japanese Navy to the Naval Attache in Tokyo, the number of Japanese submarines operating off the African coast and in the Arabian Sea for the purpose of harassing the supply lines to Egypt is to be raised quickly to a total of 20.

While this plan is to be welcomed it would prove much more effective if not only the number of submarines were to be increased but if the entire strength of the Japanese fleet would be thrown into the scales in this decisive naval area.

Situation 3 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

Nothing to report.

2. Own Situation:

Via Radiogram 2030 the DOGGERBANK is being informed about new mining successes at Agulhas, with congratulations from the Naval Staff.

The Japanese submarine "I 30" reported being delayed en route to Lorient as a result of engine trouble. Position 30 Jun. 40° 20' E. Speed 9 knots.

All ships in foreign waters informed by Radiogram 2107.

II. Situation West Area:

Atlantic Coast:

The departure of the supply ship UCKERMARK has been postponed one month due to inadequate material and personnel.

Group West has been informed accordingly by the Naval Staff.

Channel Coast:

The 38th Mine Sweeper Flotilla came under fire of the British coastal batteries on the night of 2 Jul. between Gris Nez and Blanc Nez. Anchored mines, apparently of the M XVI type, have been found in good condition off Le Havre on 2 Jul..

No PT boats were sent into action on the night of 3 Jul. since no targets at sea had been reported by air reconnaissance.

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III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

2. Own Situation:

For a report of enemy air activity during the night of 2 Jul. in the coastal area of northwest Germany see Telegrams 0702 and 0813.

The 21st and 22nd Mine Sweeper Flotillas continued efforts to sweep southeastern mine fields I and II without success. A cable cutting operation was carried out near Hanstholm. No detailed reports have as yet been received.

Special Items:

I. Commanding Admiral, Defenses, North reports as follows: 102 ground mines, 10 moored mines and 3 other mines were swept by fishing boats during the month of June. Forces of the Commanding Admiral, Defenses, North were attacked 24 times by enemy planes and fought 4 engagements with enemy PT boats. They brought down 5 enemy planes. A mine-exploding vessel was destroyed by bombs and 1 merchantman sunk. Likewise, 6 steamers and 1 fishing trawler struck mines and sank.

A total of 528 ships with an aggregate of 1, 149,751 GRT were convoyed.

II. Commanding Admiral, Group North has particularly commended the Commander, Mine Sweepers and Mine Layers as well as the Naval Construction Division, Overall Planning and Construction Branch and the 8th Motor Mine Sweeper Flotilla for their successful renewal of a large section of the "Westwall" barrage. This was accomplished within a few days and according to plan, despite the unfavorable season.

The Naval Staff is all the more in accord with this commendation since, by its very nature, this accomplishment cannot receive public recognition.

Norway:

Brisk enemy air activity is continuing in the area of the Admiral, Arctic Coast. On 2 Jul. again 5 of our planes were damaged on the ground at the Banak airport. Likewise, on 3 Jul. enemy reconnaissance staged observation flights over the Aasen Fjord.

A second degree alert has been ordered for coastal batteries in the area of Trondheim and Molde as of 2 Jul. 2000.

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In the area of Admiral, West Norwegian Coast a new mine field against enemy submarines was laid according to plan in the Vestby Fjord.

Ship traffic and convoys in the area of Norway without noteworthy occurrences.

For a tentative list of damages sustained by the LUETZOW see Telegrams 1617 and 1900.

3. Arctic Ocean:

Enemy Situation:

An intelligence report from Sweden states that on 20 Jun. an American convoy passed 59° 47' N 43° 40' W headed for Murmansk. Later, probably at Archangel, its port of destination was changed.

About 30 Jun. another convoy left Britain en route to Russian ports in the Arctic Ocean. (It may be the departure of convoy PQ 18.)

A warship or a transport supposedly arrived at 50° 47' N, 01° 50' W. She is probably an American ship to which the British legation at Stockholm is said to attribute particular importance in connection with the Second Front.

Submarine and air reconnaissance report convoy PQ 17 in quadrant AB 5251 at 0100 and in quadrant AB 3853 at 2150. This convoy has therefore been moving east at a speed of 8 knots on about the latitude of Bear Island. It was reported as consisting of 38 steamers and about 12 escort ships, proceeding in 4 columns.

Beginning at 0105 air reconnaissance again located the escort force in quadrant AB 7893, consisting of 1 carrier, 1 battleship and 2 cruisers proceeding on an easterly course and another force consisting of 1 carrier, 2 battleships, 3 cruisers, and 5 destroyers in quadrant AF 1621, on the same course. Group North is of the opinion that both formations constitute a single group, although it is not impossible that 2 separate groups might be following the convoy in an easterly direction. No reports came in concerning these escort groups between 0430 and 2240. At 2240 a force consisting of 1 battleship, 3 heavy cruisers and 3 destroyers was reported by air reconnaissance in quadrant AB 3943, hence in the immediate vicinity of the convoy. It still remains to be ascertained whether these vessels have been correctly identified. It is possible that the report concerns the Cruiser and destroyer escorts directly assigned to the convoy, while the report of the presence of battleship is the result of erroneous identification.

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Own Situation:

According to plan the Trondheim Group left on 2 Jul. at 2000, while the Narvik Group left at 2400. Since the LUETZOW due to fog ran aground at 0245 at the entrance of the Tjelle Sound, the task force commander transferred to the SCHEER, leaving the LUETZOW behind in Bogen Bay.

Due to morning fog the take-off conditions were very difficult for our planes.

At noon the 5th Air Force in its estimate of the situation concluded that the unusually heavy deployment of enemy naval forces indicates that a major operation is under way. This operation could be convoy PQ 17, an attack on the Norwegian coast, or the occupation of the southern part of Spitsbergen. The 5th Air Force believes that the previously reported eastbound convoy of 32 to 37 ships is not yet convoy PQ 17. The Naval Staff does not regard this conclusion to be correct. In its opinion there is no doubt that convoy PQ 17 has been spotted. What the 5th Air Force considers an unusually strong naval force, is in the opinion of the Naval Staff due to the enemy's knowledge of the presence of strong German naval forces.

About midnight, the submarines and the air forces had lost contact with convoy PQ 17. Guided by heavy oil traces submarine U "456" re-established contact at 0830. 2 other submarines also located the convoy at a later time.

At 1600 the Commanding Admiral, Group North requested the Chief of Staff, Naval Staff by telephone to bring about a decision concerning the continuation of operation "Roesselsprung". He informed him of his intention to revise the operations plan by sending also the TIRPITZ task force to Alta Fjord rather than to the Gimsøe area. The Chief of Staff, Naval Staff then suggested to the Chief, Naval Staff that he approve this transfer. The Chief, Naval Staff ordered a report to be sent to the Fuehrer stating that the Naval Staff is aware that it is not yet time to begin the operation inasmuch as air reconnaissance has not yet furnished a clear picture of the enemy situation, particularly with respect to positions and strength of the heavy enemy task force. He states that the Naval Staff agrees with Group North that the TIRPITZ task force must be transferred to Alta Fjord in order not to lose too much time which could not be regained for the eventual assault. The permanent representative of the Commander in Chief, Navy at Fuehrer Headquarters therefore received instructions to report the plan of the Naval Staff to the Fuehrer. He is to point out expressly that for the time being the matter refers exclusively to the transfer of the task force to the Alta Fjord.

The Fuehrer could temporarily not be reached but Vice Admiral Krancke felt sure that, on the basis of information which he had previously imparted to the Fuehrer, no objection to the transfer of the ships to Alta Fjord would be made by him. Therefore the Chief of Staff, Naval

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Staff instructed the Commanding Admiral, Group North by telephone to transfer the ships as proposed.

The Group reports at that time that the LUETZOW will not take part in further operations but will return to Bogen Bay.

At 1720 Group North reports that the Fleet Commander has received orders to proceed to Alta Fjord.

At 1758 the Fleet Command reports to Group North that destroyers LODY, RIEDEL and GALSTER are out of commission, having scraped bottom while entering Gimsoe. These losses will likewise have no effect on the continuance of the operation.

The estimate of the situation of Group North at 1800 points out that aerial reconnaissance flown by the enemy over the Aasen Fjord at 1420 might influence further developments.

In arriving at a decision concerning the continuation of the operation it is of decisive importance to have a clear picture of the enemy situation. Group North therefore requests at 1945 that should the heavy enemy force not have been located by then the 5th Air Force should report at 0500 and again at 0900 on 4 Jul. which sea areas it considers to have been completely reconnoitered and free of enemy forces.

The next air reconnaissance report, at 2240, reported 1 battleship, 3 heavy cruisers and 3 destroyers in the immediate vicinity of the convoy. This report did not justify Group North's giving up the intention of transferring the TIRPITZ task force to the Alta Fjord. Of course, if the heavy enemy task force has been correctly identified the convoy cannot be attacked before our planes or submarines have launched a preliminary attack on the heavy vessels and, above all, against the carrier if there is one in the vicinity.

On orders from Group North, submarines U "251" and U "376" were detailed to quadrant AB 86 to attack the heavy escort forces which had been reported during the night by air reconnaissance.

Up to 2300 no reports had been received concerning submarine successes against convoy PQ 17.

The 5th Air Force staged 4 aerial torpedo attacks against the convoy between 1815 and 1955 on 2 Jul.. Due to strong defensive action the effects could not be observed.

On the basis of past developments, the Naval Staff has arrived at the following conclusions concerning the continuation of operation "Roesselsprung":

Account must be taken of the fact that the shifting of both task forces to the North has either already been detected by the enemy or will certainly become known very quickly. The enemy will then have one of the following alternatives:

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a. His valuable convoy will change course and turn back.

b. He will bring his task force up to the convoy and escort it to a point where our fighting forces could no longer engage it.

c. In the event that there are 2 enemy task forces present, the enemy might decide to assign one of them to defend the convoy and send the other to take up a position northwest of the Lofoten Islands in order to deprive our task force of freedom of operation and raid it with carrier planes.

d. The enemy may keep his heavy task forces out of the range of our bombers and torpedo planes and thus be compelled to leave the convoy under the protection of a few light cruisers and destroyers, as on previous occasions.

Our course of action could then be as follows:

In case "a", we have no chance for an attack and the enemy is so thoroughly and definitely aware of our plans that we can no longer take him by surprise. In this case the enemy would either be unable to escort the convoy to its destination or could do so only with considerable delay.

In case "b", our naval forces would likewise be unable to attack the convoy. However, the enemy would find himself forced to expose his heavier combat forces to the effective action of our Air Force and submarines. Given good weather, both of the latter and particularly the Air Force would enjoy good prospects for launching attacks.

In case "c", we can employ our task force only on the basis of the situation as determined by air reconnaissance. Whatever the situation may be, the risk will probably be so great as to make it impossible to use our task force.

Only in case "d" do we have all prerequisites on the basis of which the plans for operation "Roesselsprung" were drawn up.

Whether the latter case will materialize will be determined as soon as reconnaissance has ascertained how matters stand as to the group which had been located near the convoy at 2240. If this group is no longer proceeding on an easterly course or if it is determined that no heavy vessels had actually been present, our task forces would be free to launch an attack on 4 or 5 Jul..

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Radio monitoring reports 8 submarines and 1 submarine depot ship at sea. At 2325 on 2 Jul. 3 submarines were sighted at the harbor entrance of Leningrad and on 3 Jul. 1 submarine at 0900, near

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Kallbandsgrund.

In the Bay of Kronstadt on the morning of 3 Jul. mine sweepers, auxiliary mine sweepers, patrol boats, tugs, and barges were seen proceeding in a westerly direction. On the evening of 3 Jul. 8 PT boats were transferred from Kronstadt to Lavansaari.

2. Own Situation:

At the Baltic Sea entrances a ground mine was swept east of Langeland, one in the vicinity of Nyborg, and one off Helsingoer. Near Samsøe, an auxiliary sailing vessel was destroyed by a mine 1 mile off Cape Koldby.

In the central Baltic Sea 5 miles north of Koserow a ground mine was hauled out in a fishing net.

In the eastern part of the Baltic Sea the mine field "Seeigel 13" was laid according to plan. Motor mine sweeper "74" was badly damaged, having struck a mine at Tytersaari. Mine sweeper "16" destroyed a Russian submarine west of mine field "Nashorn". On 1 Jul. a special Army combat team of 440 men and 43 vehicles was transferred from Reval to Helsinki aboard the PORTO ALLEGRE.

In view of the prevailing bright nights, the Admiral, Baltic States reports that it is necessary to postpone the mine operation in Kronstadt Bay for about 5 weeks until the nights become darker. (See Telegram 1200.)

V. Submarine Warfare

1. Enemy Situation:

Radio monitoring intercepted a warning that the entrance to Chesapeake Bay is blocked with dangerous obstacles. A submarine attack was reported 140 miles northeast of Nantucket Island. Another submarine attack was reported against the U. S. tanker GULF BELLE (7,004 GRT) northeast of Trinidad, and a third attack was reported to have taken place near Puerto Limon. Finally, a special warning was intercepted, calling on all U. S. warships to avoid a certain area in the Florida Strait.

2. Own Situation:

Six submarines proceeding from French ports are being combined into a task force known as group "Hai". Their zone of operations will be the eastern Natal Strait.

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Except for the sinking of a small sailing vessel in the West Indies by submarine U "172", there are no reports of successes scored from any of the war theaters. Details, particularly those concerning operations against convoy PQ 17, are in the supplement to the submarine situation report in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

British Isles and Vicinity:

No noteworthy action during the day. During the night of 3 Jul. 10 enemy planes flew over the Denmark area, apparently on a mining mission. No bombs were dropped.

Mediterranean Theater:

In addition to support to the Rommel Panzer Army, 77 bombers raided the Alexandria-Port Said area on the night of 2 Jul., also mining the Suez Canal. Out of a total of 26 air mines dropped 13 detonated on land.

Eastern Front:

In connection with the assault on Novorossisk, reconnaissance observed that a destroyer of the TASHKENT class, a 10,000 GRT transport ship and a 4,000 GRT merchant vessel had been sunk.

In the operations area of the 4th Air Force 34 planes were reported to have been shot down. For a report of 5th Air Force missions against convoy PQ 17, see Situation Arctic Ocean.

VII. Warfare in the Mediterranean and Black Sea

1. Enemy Situation:

Mediterranean:

There is no essential change to report concerning the warships present at Gibraltar. The convoy traffic in the area between Alexandria and Port Said was reported to be light. At Port Said proper, 2 cruisers of the DIDO class, 1 unidentified warship, 4 destroyers, 4 escort vessels, 7 submarines, 2 patrol boats and what seemed to be a Greek vessel as well as more than 30 merchant vessels were observed at 0850. On the afternoon of 2 Jul. 1 cruiser of the DIDO class, one cruiser of the AURORA class, 2 destroyers, 1 escort vessel, 2 hospital ships and about 12 merchant vessels were anchored in the port of Haifa.

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2. Own Situation:

Nothing to report.

3. Transport of Supplies to North Africa:

The convoy of the BIXIO, MONVISO and ANKARA is en route to Benghazi, according to plan. The motor ships SESTIERE, PISANI and PILO are to start back for Italy from Tripoli and Benghazi. The tanker FASSIO stopped at Piraeus on 2 Jul. while en route from Taranto to Tobruk. Two transport submarines put into Ras el Hillal (west of Derna) on 2 Jul. owing to bad weather, and a third transport submarine is en route to Derna. The steamer PETRARCA left Benghazi for Tobruk on 2 Jul.. The steamer OSTIA is also scheduled to proceed to Tobruk on 3 Jul..

Further salvage work on the SAVONA cargo was given up because of bad weather. The ship seems to be a total loss.

The German Naval Command, Italy, Operations Staff North Africa is leaving nothing undone to deliver supplies for the Panzer Army at a point as far east as possible. He demands by urgent telegram that the Supply and Transportation Office, Italy make immediately available 2 additional ships for direct runs to Tobruk, since the naval barges which have been promised will arrive too late, and further losses are to be expected. The Commanding Officer, Supply and Transports, Italy states in reply that 3 transports are en route to Benghazi, 4 other transports have nearly completed loading and are ready to set out, and that their date of departure for Tobruk depends only on the Admiral, Libya.

Here again we come up against evidence of the disinclination shown by the Italians to subject their large ships to heavy risks such as are unquestionably involved in missions to the mine-infested eastern ports which have just been captured. The present situation makes it absolutely imperative to take such a risk because the task of getting large supply ships across to the easternmost point of the African coast is of such decisive importance.

Special Items:

The Armed Forces High Command, Operations Staff informs the Naval Staff about a directive issued to the Commanding General, Armed Forces, Southeast concerning the shipment of reinforcements to the African Panzer Army, which has requested that transfer of the 382nd Infantry Regiment and the 3rd Company of the 220th Battalion of Engineers (3. Pi. Batl. 220) from Crete to North Africa be given priority. All detachments which can be transported by air are to be flown, if possible; the necessary arrangements are to be made with the Commanding General, Armed Forces, South. Heavy armament and motor vehicles are to follow by ship as soon as possible. (See Telegram 1730.)

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Another directive of the Armed Forces High Command, Operations Staff orders that, pending final disposition, the supplies to the German armed forces in Africa are to be routed via Greece. The following procedure is to be observed:

1. Requests of the African Panzer Army are to be forwarded as heretofore to the Supply and Transportation Office, Armed Forces Overseas via the German General attached to Italian Armed Forces Headquarters.
2. Transports proceeding via the Balkans have priority and are to be moved with greatest speed.
3. The Commanding General, Armed Forces, Southeast is taking measures to expedite supply shipments to Africa with all means at his disposal, drawing if necessary on the equipment and rations allocated to the armed forces which are stationed in the area of the Commanding General, Armed Forces, Southeast. Transshipments at Piraeus and rail transport to that port are to be steadily improved.
4. In urgent cases the German General is authorized to request transport facilities directly from the Commanding General, Armed Forces, Southeast, informing the Supply and Transportation Office, Armed Forces Overseas to that effect. (See Telegram 2300.)

The Naval Staff would have preferred it if these measures had been taken at an earlier time and certainly no later than the time when our forces reached Marsa Matruh; each day gained for the delivery of supplies to the Panzer Army might have a decisive effect.

Group South has proposed to the German Naval Command, Italy a solution of the problems relating to authority and responsibility which have come up in connection with supply shipments to Africa via the area of the Admiral, Aegean Sea. The group proposes that the convoys, while proceeding through this area, come under the authority of the Italian Admiralty. (See Telegram 1930.)

The German Naval Command, Italy has given its approval by arrangement with the Italian Admiralty so that no further steps remain to be taken by the Naval Staff.

4. Area Naval Group South:

Aegean Sea:

The mine-laying force, including the 3rd Destroyer Squadron, has returned to the port of Piraeus after completing its mission.

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The 20th Crete group composed of 7 merchant ships and the auxiliary ship BULGARIA are slated to leave from Piraeus for Candia on 4 Jul..

Black Sea:

Enemy Situation:

Some 50 small vessels were observed withdrawing from Primorsko and Azov into the Glukhov Canal.

Own Situation:

On the night of 1 Jul. enemy planes raided Feodosiya and Simferopol. On 2 Jul. the 1st PT Boat Flotilla sailed from Yalta to Constanta. The enemy vessels which had been sunk by the flotilla on the night of 30 Jun. were submarine chasers. Among the prisoners taken were a commanding general and the commander of a cruiser in addition to the commissar who has already been mentioned. On the night of 2 Jul. 3 Italian submarine chasers operated near Cape Khersones and near Cape Fiolent. Convoy traffic between Constanta and Ochakov proceeding according to plan.

VIII. Situation East Asia

The Nicobar Islands were occupied by the Japanese who met with no opposition.

News Analysis No. 31 of the Intelligence Division, Foreign Navies Branch contains a description of the Japanese attack on Pearl Harbor on 7 Dec. 1941. A thorough evaluation of the aerial photographs furnished us by the Japanese discloses that no other total losses in warships are to be discerned beside those which the Americans reported, namely 2 battleships, 1 target ship, 3 destroyers and 1 mine layer. On the other hand, 3 battleships and 2 light cruisers were more or less badly damaged. The damage inflicted on land installations, particularly, air fields, appears to have been severe.

IX. Army Situation

Russian Front:

Southern Army Group:

Mopping-up operations in the Sevastopol area continued. The number of prisoners taken during the battles from 7 Jun. to 2 Jul. exceeds 50,000. 433 field guns, 70 anti-tank guns, 622 mortars and 21 tanks were also captured.

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The offensive of the 6th Army is making headway. The divisions which had crossed the Orlik River on 2 Jul. are only a few kilometers from Stary Oskol the northern outskirts of which have already been partly occupied.

Forces of the Von Weichs Group are attacking the town of Stary Oskol from the northwest. One panzer division is attacking Kastornoie after crossing the Olym River. One infantry division is attacking Kastornoie from the north. Thus 2 enemy groups are on the point of being encircled. South of Livny enemy tanks are continuing to bear down from the north.

Central Army Group:

No noteworthy action in the south. In the north, attacks continued with success to the south of Mostovaya and near Byeloi. Near Byeloi some enemy units appear to have broken through our salients.

Northern Army Group:

An enemy advance before Yamno and an attack to the south of Myeleksa failed.

Finnish and Norwegian Front:

No noteworthy action.

North Africa:

The panzer army widened the breach in the enemy positions against fierce enemy resistance from fortified positions with heavy artillery protection. Recently arrived plane reinforcements have resulted in increased enemy air activity. Our troops have been forced to discontinue temporarily their offensive due to their insufficient effective strength, the critical supply situation, and the fact that the enemy troops have been reinforced. It is urgent that supplies be sent as soon as possible. The effective strength of our divisions has dropped to between 1,200 and 1,500 men. The bulk of our infantry corps still remains in the rear area waiting for motor vehicles.

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Items of Political Importance

Argentina:

A motion for lifting the state of martial law, presented in the Chamber of Deputies, has been rejected. Thus the government is enabled to ward off all moves which might endanger its policy of neutrality.

Brazil:

The German note which protested the ill treatment of the arrested German nationals has been rejected by the Brazilian government.

Madagascar:

British troops have occupied the vicinity of Ambilobe.

Central Africa:

Information gathered from Portuguese diplomatic reports from West and Equatorial Africa confirms that the strength of the so-called "Chad Army" is 100,000 men. These troops are probably intended to be used only in the event of an Anglo-American move against French West Africa, particularly against Dakar. In the Belgian Congo there were about 60,000 men available until recently. However, considerable portions of that force have been transferred to Nigeria and Sierra Leone. British and American war materiel is still arriving at the ports on the west coast. Shipping, particularly from North America to Matadi and Pointe Noire and above all to Freetown, has considerably increased. In addition to disassembled planes which are unloaded in the western ports, many long-range planes stop at the local airports en route to the Middle East and Egypt. Due to the increased peril to the sea routes the problem of establishing communications with the Middle East via the African Continent has assumed first-rank importance. The fact that the enemy is resorting to such alternatives is the clearest proof of the critical situation with respect to sea communication. Likewise the appointment of Swinton to the post of Minister for West Africa, with residence at Accra, underscores the growing importance which is being attributed to this sector. The minister's special task consists in exploiting the vast raw material resources on behalf of Allied economic strategy.

Portugal is particularly uneasy about the fate of the Cape Verde Islands and the Azores in the event of an Anglo-American move against French West and North Africa. Angola and Mozambique on the other hand are regarded as less endangered.

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Special Items

I. Situation North Africa:

The following has been learned from a report which the German General at the Italian Armed Forces Headquarters sent to the Armed Forces High Command on 4 Jul.: According to Rommel's report from the morning of 4 Jul., in which he states that he is forced to halt the advance for the time being and go over to the defensive, the Italian Armed Forces High Command has forwarded the following order to the Italian High Command, North Africa:

The Duce shares the opinion of the Panzer Army Command that operations have to be halted temporarily in order to reorganize the units and to bring up reinforcements in men and materiel. Reinforcements are to be given priority. The Italian Armed Forces High Command will also do its part to expedite matters from Italy. The German-Italian Panzer Army will decide as to the prospective duration of the pause in the offensive.

Thereupon the Panzer Army reported that it is compelled to go on the defensive for about 2 weeks in order to obtain replacements and supplies and to reorganize its units.

Nothing brings the need of extreme speed in expediting supplies into sharper focus than the present predicament which has halted the advance of the Panzer Army to the Nile Delta for lack of forces. It is to be hoped that this pause is only temporary.

Further information from Rome indicates that the regiment on Crete cannot be transferred quickly due to the lack of air transport facilities. Consideration is therefore being given to an expedient whereby air supplies to the II Army Corps in the East would be curtailed by 50%. The use of paratroops is also being considered in the occupation of the Nile Delta, in order to facilitate the Army's advance to its operational objectives.

The transfer of the infantry regiment from Crete is to begin on 6 Jul. and will take about 5 days. The next shipment of 60 German tanks will have been loaded in Italian ports by 12 Jul. Twenty more tanks are in transit and another 20 tanks are still in Germany. Six Italian parachute battalions, 2 artillery battalions and one battalion of engineers are ready for transfer.

II. On 2 Jul. the minutes of the conference held between the Chief of Staff, Naval Staff and Admiral Nomura on 22 Jun. (as per l/Skl Ib 15785/42 Gkdos., see War Diary 27 Jun.) were brought to the attention of the Fuehrer by the permanent representative of the Commander in Chief, Navy at Fuehrer Headquarters in the presence of the Chief of Staff, Armed Forces High Command and the Chief, Operations Staff, Armed Forces High Command.

The Fuehrer declared that he was in accord with the views of the Naval Staff.

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III. On 4 Jul. the Commanding Admiral, Submarines called on the Chief of the Air Force General Staff and discussed measures to combat enemy air activity in the Bay of Biscay. In a subsequent conversation with the Commander in Chief, Air the question of labor for submarine repair work was touched upon, among other subjects. On the following day, the Commander in Chief, Air wired a request for a detailed report on the labor shortages in order to start immediate negotiations with the Chief Administrator of German Labor Supply. The Commanding Admiral, Submarines transmitted this request to the High Command, Navy for action.

A copy of the corresponding report of the Commanding Admiral, Submarines as per l/Skl 16 200/42 Gkdos. is in War Diary, Part C, Vol. IV.

The Submarine Division, Naval Staff will give further attention to this matter.

IV. In answer to an inquiry by the Foreign Office, the Chief of Operations Division, Naval Staff requested the High Command, Navy (Naval Construction Division) to furnish him a report on how effectively the French Naval Forces in the Antilles have been immobilized and to put this report at the disposal of the Foreign Office.

For further details with reference to directive l/Skl Ic 23229/42 geh. see War Diary, Part C, Vol. VIII.

Situation 4 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

Nothing to report.

2. Own Situation:

For additional decorations conferred by the Commander in Chief, Navy on the crew of the DOGGERBANK see Radiogram 0120.

According to a report from Etappe Japan, the NANKIN took on coal and provisions and underwent minor repairs at Batavia. The NANKIN and the HERBORG are due to leave Batavia in the near future, as per directives from the Japanese Navy. Instructions to ship "10" as well as information that 2 whaler officers are due to follow with the UCKERMARK are in Radiogram 2158.

At 1917 a short code signal was received from ship "10", advising that prize ship no. 3 left large quadrant KU on 4 Jul. and will be at point "Saale" on 9 Jul. The name of the prize was unclear. Confirmation from the Naval Staff to ship "10" via Radiogram 2158.

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At the request of the German Tripartite Commission, Admiral Nomura and the Naval Attache in Berlin have sent a joint telegram to Tokyo asking that the prisoners be taken into immediate custody. The Foreign Office, in accord with the Naval Staff, will clarify the fundamental issues via the German Embassy in Tokyo.

The Naval Attache in Tokyo is being informed about this by the Naval Staff by Telegram 2030; simultaneously he receives a directive to pattern all future sailing orders which he issues on those of the DRESDEN and to furnish the names of the crew of the prize ship as soon as she arrives.

Since the departure of the supply ship UCKERMARK has been postponed for 1 month, the Naval Staff is planning to provision ship "23" on 15 Jul. from the CHARLOTTE SCHLIEMANN; ship "28" at the end of August from the UCKERMARK; and ship "10" from the UCKERMARK following the provisioning of ship "28". Inasmuch as the UCKERMARK will not go out to meet ship "23", another supply ship will be detailed to carry stores to the latter ship at the end of September.

Corresponding information has been sent to all ships in foreign waters by Radiogram 0101.

Information has also been forwarded to all vessels in foreign waters concerning the successful mining operation carried out by the DOGGERBANK near Cape Agulhas, as well as enemy reports, by Radiograms 2321 and 0656.

II. Situation West Area

1. Enemy Situation:

Air reconnaissance reports that 6 steamers on a north-easterly course were located in the evening between Folkestone and Dover. A destroyer heading northwest has been sighted 180 miles west of Vigo. Thirty miles south of that position a 21-steamer convoy has been observed proceeding from Gibraltar and escorted by 4 destroyers and 1 patrol ship on a 350° course.

2. Own Situation:

Atlantic Coast:

The Naval Staff informs Group West and Commanding Admiral, Submarines concerning the delayed arrival of the Japanese submarine which will be at 45°N, 13°W on 1 Aug. and will arrive in Lorient on 6 Aug.

On the route "Herzdame" 3 mines were cleared away and 1 ground mine was removed off Saint-Nazaire.

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Channel Coast:

By authority of the Commanding Admiral, France the office of Naval Shore Commander, Channel Islands has been established and that of the Artillery Commander of Pas de Calais eliminated. Quartermaster Division, Naval Staff has approved the measure. No other noteworthy events.

Special Items:

Twenty-four enemy air raids were staged on the forces of Commanding Admiral, Defenses, West in the month of Jul. During these raids 8 planes have definitely been shot down and 13 of our escort vessels sustained for the most part only slight damage.

III. North Sea, Norway, Arctic Ocean

North Sea:

1. Enemy Situation:

Air reconnaissance reported locating 25 steamers and 1 destroyer off the Humber headed north, and 33 steamers along with 3 patrol vessels off Yarmouth pursuing the same course.

2. Own Situation:

To the north of Ameland mine-exploding vessel "161" sustained heavy damage and sank when a mine exploded under her keel. A total of 8 ground mines were cleared on this day.

During an enemy air raid on Den Helder at 0800, 1 attacking plane was shot down by naval anti-aircraft guns.

Mine-sweeping and escort duty otherwise according to plan. The Naval Staff gives its approval to the plans prepared by Group North for the laying of mine fields 5a and 10a and has made the allocation of the mines requested. The Naval Staff is of the opinion that the widespread mining operations carried out by the British in the German Bight as well as the mining reported in the log of the submarine SEAL are evidence of the fact that the British have written off the German Bight roughly along the line running from Terschelling to Horns Riff as an operating zone for surface naval forces. As regards the Mark XIV mines located along route "Blau-Gruen", the Naval Staff is of the opinion that there is no reason to believe that the mine-laying operations were carried out by surface forces but rather that they were executed by submarines.

Copy of the corresponding order l/Skl I E 16223/42 Gkdos. in War Diary, Part C, Vol. VI.

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Norway:

Enemy air activity in the area of the Admiral, Arctic Coast is still continuing. An attack on the Kirkenes airport did not cause any damage. Mine-sweeping operations and escort service are proceeding according to plan and without any special incidents. First degree alarm has again been ordered for outer batteries in the area of Trondheim and Molde. The TSINGTAU and 4 boats of the 8th PT Boat Flotilla started out from Kristiansand South, headed for the south.

Special Items:

The High Command, Navy, Officer Personnel Division tabled for the present the replacement of the Admiral, Arctic Ocean.

Arctic Ocean:

1. Enemy Situation:

The contact of submarines and air forces with convoy PQ 17, which had been lost about midnight, was again reestablished by the air force in quadrant AB 3657 at 0415 and by submarine U "457" at 0700 in the same quadrant. The course of the convoy has been ascertained as 130° to 75° 30' N, then eastward. At 2100 its position was reported by a submarine to be in quadrant AC 2472.

A convoy escort force composed of 1 battleship, 2 heavy cruisers and 3 destroyers was spotted at 1327 by submarine U "457" in quadrant AC 1542, proceeding eastward. This convoy was reported in the same strength by submarines and planes until 2145. The escort forces kept at a distance of 60 to 90 miles north of the convoy. It was last located by a plane at 2145, some 200 miles northeast of Bear Island. The report does not state whether it was still on an easterly course or going west. The force which had been reported by air reconnaissance at 1201 in quadrant AC 1548, said to consist of 1 heavy British cruiser and 3 heavy American cruisers as well as 1 British and 2 American destroyers, may be assumed to be the immediate escort of the convoy. No carriers were spotted, although judging from the presence of 2 torpedo bombers, reported by air shadower at 1832, there is a likelihood that one is in the vicinity.

According to radio monitoring an air alert was received by convoy PQ 17 at 1403. Between 1901 and 2200 several operational messages transmitted from Scapa and Cleethorpes to the Chief of the Home Fleet and to the naval forces at Scapa were intercepted.

Weather conditions continued highly unstable in the theater of operations, but it cleared in the afternoon and visibility improved.

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2. Own Situation:

The Naval Staff reported on the enemy situation to the permanent representative of the Commander in Chief, Navy at the Fuehrer Headquarters and to the Naval Representation, Armed Forces High Command, Operations Staff. This report was accompanied by the remark that the presence of a heavy force in the vicinity of the convoy makes it impossible to carry out operation "Roesselsprung" until air forces or submarines have been sent into action and achieved their effect on the heavy vessels of the enemy force.

At 1120 Group North reported no change in the estimate of the situation since the area to be reconnoitered, namely north of 71° N, has not been thoroughly covered. The report also stated that Task Forces I and II, which arrived in Alta Fjord in the meantime, have been put on a 3-hour alert. In its estimate of the situation as of 1700 Group North pointed out that the deadline for setting out on operation "Roesselsprung" is at 1700 on 5 Jul. and reported the plan of retransferring the forces in the event that the attack is not begun by that time. The TIRPITZ, the HIPPER, and 3 destroyers will be dispatched to Narvik; the LUETZOW, destroyer Z "24", the IHN and torpedo boats will be ordered to Trondheim; while the SCHEER and 2 destroyers will remain in Alta Fjord, where the KOELN will join them later.

At 2030 the Chief, Naval Staff transmitted to Group North his approval by telephone.

At 1130 the Admiral, Arctic Ocean reported as a first success against PQ 17 the sinking of the steamer CHRISTOPHER NEWPORT with a cargo of tanks by submarine U "457" at 0823.

Submarines U "251" and "376" were dispatched to Narvik for re-fuelling.

Submarines U "88", "703", "334", and "457" were in action against the convoy. All submarines except those detailed to keep contact with the convoy were ordered in the course of the day to make the heavy task force north of the convoy their main assault target.

At 0450 the Air Force reported the first aerial torpedo hit. This one was probably scored on the CHRISTOPHER NEWPORT. Between 1830 and 1840 the sinking of a 6,000 GRT steamer was reported.

No further results have as yet been reported about this evening's operations. However, according to radio monitoring, our planes appear to be engaged in lively raiding activity against vessels of convoy PQ 17.

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Up to the close of this day there is still no indication as to how far the conditions are of a kind to warrant the start of the "Roesselsprung" attack. The fact that 2 presumably carrier-borne planes have been sighted near the convoy does not warrant a conclusion that an enemy carrier is in the vicinity since these planes may belong to the heavy cruisers escorting the convoy. In addition no definite clue could be obtained as to the conduct of the heavy escort group in the north. It is to be hoped that information will come in during the night or early morning to clarify the situation.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

On the night of 3 Jul. a patrol ship and naval anti-aircraft guns shot down 2 enemy planes in the entrances to the Baltic Sea. Convoy and escort missions in the area of the Commanding Admiral, Defenses, Baltic Sea proceeding according to plan.

Group North's estimate of the situation discloses that after the destruction of any enemy submarine by mine sweeper "16" on 3 Jul., another Russian submarine is outside the "Seeigel" mine field near Arkona, and it is probable that a third submarine is off the coast of Sweden. It is highly probable that 3 submarines have been destroyed by Finnish planes in the "Seeigel" mine field and another one around Hogland. Other submarines can be expected to break through since the Russians do not shrink from any losses. Group North does not believe that there are any destroyers outside of the mine fields, but believes that destroyer escort is furnished when attempts are made to sweep the "Seeigel" mine field.

Group North requests 1,000 additional anti-submarine mines type A and 600 cutting floats for further mining operations aimed to strengthen the "Nashorn" and "Seeigel" mine fields. Group North is also planning to lay standard mines type C and cutting floats continually over the entire area east of 28° E as soon as the nights grow dark enough to permit such operations. A copy of the corresponding order from Group North, as per l/Skl 16 274/42 Gkdos. in War Diary, Part C, Vol. III.

The above plans are fully in accord with those of the Naval Staff. The material requested is made available.

The naval liaison officer attached to the Army High Command reports that the special naval detachment with 154 motor vehicles which had been assigned by the Northern Army Group in the months of January and February 1942 gave valuable support in mastering the problems of transportation. The detachment made considerable sacrifices in fighting as infantry during the encirclement of the Scherer Group.

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V. Submarine Warfare

1. Enemy Situation:

There are no noteworthy reports other than the sighting of submarines in the usual positions.

2. Own Situation:

Submarine U "508", carrying out a special mission, planted a weather-buoy near Rockall Bank and is to return to her zone of operations after planting another weather-buoy near Porcupine Bank.

Submarine U "136" sighted a section of the Gibraltar convoy in quadrant CG 1160 but has received orders not to undertake any action against it.

In the Trinidad Channel, West Indies, submarine U "126" sank a 7,000 GRT steamer with planes and gasoline aboard and, using her last torpedo, she sank the tanker GULF BELLE (7,104 GRT).

For further details, particularly with reference to operations against convoy PQ 17, see supplement to Submarine Situation, War Diary, Part B, Vol. IV.

Distribution of Submarines as of 1 Jul. 1942

(Number in parentheses gives corresponding figure for previous month)

1. Operational submarines:		141	(128)
Types VII B, C, and D	99		
IX, IXb, IXc	38		
Xb	1		
XIV	3		
2. With the Submarine Acceptance Command		31	(49)
3. In training and preparing for operations		108	(86)
4. School and test boats		58	(56)
5. Expected to be commissioned in Jul.		21	(22)
6. Transferred to zone of operations in Jun.		15	(6)
7. Commissioned in Jun.		21	(21)
8. Missing in Jun.		2	(2)
9. Decommissioned (3 of this number assigned to Black Sea transport duty)		5	(5)
Total of ships commissioned		338	(319)

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VI. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report.

2. Mediterranean Theater:

Mines were sown throughout the Suez Canal on the night of 4 Jul. The southern area was covered most thoroughly.

Forces of the Air Command, Africa were in continuous action against enemy concentrations in the area of El Alamein.

3. Eastern Front:

The employment of the 15th Air Force against the convoy PQ 17 was hampered chiefly by bad weather conditions at the take-off point. On 3 Jul. the only place land-based planes were able to approach throughout the day was Kirkenes. No other planes with the exception of He 115's took part in air operations on 2 and 3 Jul. No successes were reported although the torpedoes functioned normally. The first success was reported at 0450 on 4 Jul. The latter was also to the credit of an He 115. (See Situation Arctic Ocean.) In the afternoon the weather cleared in the take-off area, permitting the assignment of wheeled aircraft. At about 2000 the convoy was attacked by successive waves of 23 He 111's in quadrant AC 1640. Results are not yet in.

No noteworthy reports have been received from the Gulf of Finland and the Black Sea.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

The CHARYBDIS and a cruiser of the CAIRO class left for the Strait of Gibraltar for towing practice. Upon her return the CHARYBDIS stopped briefly at Gibraltar and left westward.

Submarines have been sighted at noon and in the evening of 3 Jul. west of Crete. On 4 Jul. in the fore - and afternoon other submarines were sighted north of Benghazi.

According to air reconnaissance there were no important changes in the number of ships present at Haifa and in Port Said. One cruiser, 2 destroyers, 1 tanker, and 4 steamers were located in the forenoon on a 240° course, 34 miles north northwest of Port Said. One steamer and 3 destroyers were observed at the same time 55 miles north of Port Said, pursuing a southerly course.

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In the port of Suez and in the roadsteads on 3 Jul., 3 to 5 destroyers, 2 passenger ships, 30 to 40 steamers, and 9 tankers were anchored.

The following losses of warships have admittedly been suffered by the British out of the double convoy which was at sea in the month of June:

In the eastern part: the cruiser HERMIONE, the destroyer HASTY, and the corvettes GROVE and AIREDALE.

In the western part: the destroyers BEDOUIN, NESTOR and the torpedo boat KUJAWIAK.

2. Own Situation:

Mediterranean:

Nothing to report.

The Naval Staff gives the following estimate of the situation in the Eastern Mediterranean:

I. The strength of the Mediterranean Fleet up to 17 Jun.:
The battleship QUEEN ELIZABETH (in dock), 1 heavy warship of unidentified type (dummy?), 7 cruisers, 13 to 15 destroyers, about 10 escort vessels, the same number of submarines, 3 repair ships, an unidentified number of small vessels and several Greek torpedo boats and submarines.

II. The withdrawal from Alexandria of all enemy naval forces between the end of Jun. and 2 Jul. has been ascertained from air photos. From reports of agents obtained from various sources and radio communication, we are led to believe that parts of the Mediterranean Fleet have already departed via the Suez Canal while single cruisers, destroyers and escort vessels are still around Levantine ports and at Cyprus. On 1 Jul. an air photo confirmed the presence of 2 cruisers, 3 destroyers, and 5 escort vessels at the port of Haifa.

III. The Naval Staff believes that even after the occupation of Alexandria and after Rommel's advance to the Suez Canal, light British naval forces will remain in the Levantine ports and at Cyprus. They will probably consist of destroyers and escort vessels and, perhaps, also of cruisers. These forces can be counted on to remain so long as Britain continues to nurse hopes of winning back Alexandria and reestablishing her dominion over the Suez Canal and as long as a breakthrough is possible via the Strait of Sicily, with Malta open as a transit port to the East. Beirut, Haifa and Cyprus are adapted for use as jump-off points for a limited number of light combat forces. These ports offer limited repair facilities and have no docks but their fuel situation is insured.

IV. Thus, in the opinion of the Naval Staff, it is not to be expected that our supply communication with Alexandria and ports fur-

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ther west will no longer be menaced by enemy naval forces once we have closed the Suez Canal to Great Britain. Long communication lines, however, expose the enemy to considerable danger from our air forces. It is therefore imperative to intensify our air reconnaissance at the eastern end of the Mediterranean.

V. The closing of the Suez Canal will be without appreciable effect on the enemy submarine situation since they will operate out of Gibraltar.

This estimate of the situation has been sent to the Armed Forces High Command, Operations Staff, attention Naval Representation, with copies to German Naval Command, Italy, Commanding Admiral, Aegean Sea, and Naval Group South by Telegram 1/Skl Im 16160/42 Gkdos. in War Diary, Part C, Vol. XIV.

3. Transport of Supplies to North Africa:

The convoy of the BIXIO, ANKARA, and MONVISO underwent repeated enemy air raids on the night of 3 Jul., but did not suffer any damage. The steamer PETRARCA has arrived at Tobruk. Other supply traffic according to plan. The Italian Navy has thus far committed the steamers ISEO and GUALDI, in addition to auxiliary sailing vessels, along the Benghazi-Tobruk route. Other auxiliary sailing vessels are due to be assigned.

4. Area Naval Group South:

Aegean Sea:

At 0800 the 6 steamers of the 20th Crete Squadron moved out of Piraeus for Candia. At the request of the Commanding General Armed Forces, South, 7 steamers remained in the port of Piraeus. Preparations are under way for the shipping of vehicles and equipment of the 382nd Infantry Regiment and the 3rd Company of the 220th Engineers from Crete to Marsa Matruh by ships of the Crete Squadron.

For corresponding directive from Naval Group South, see Telegrams 1025 and 1855.

Black Sea:

Enemy Situation:

According to an intelligence report, the battleship PARIZHSKAYA KOMMUNA was at anchor in Batum on 28 Jun. Radio monitoring observed brisk submarine activity in the area south of the Crimea as far as Novorossisk. In the northeastern Black Sea numerous mine sweepers and PT boats have been observed. In the southeastern area of the Black Sea 2 cruisers, 1 flotilla leader, 3 destroyers and 6 submarines have been observed.

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Own Situation:

The 1st PT Boat Flotilla, 3 Italian subchasers, and 5 motor boats were operating off Cape Fiolent and south of Cape Sarich on the night of 3 Jul. without contacting the enemy. Convoys are proceeding according to plan.

VIII. Situation East Asia

Nothing to report.

IX. Army Situation

1. Russian Front:

Southern Army Group:

The last enemy resistance on the Kherson Peninsula has been broken.

The 6th Army continued the eastward advance along the entire front. A number of bridgeheads have been established across the Oskol river, south of Valuiki. To the southwest of Voronezh the 24th Panzer Division and the Grossdeutschland Division succeeded in throwing 3 bridgeheads across the Don River. Large enemy forces were cut off when the von Weichs Group effected a junction with the 6th Army at Stary Oskol. Nevertheless, strong enemy armored and cavalry units managed to effect a break-through. Enemy pressure continues south of Livny.

Central Army Group:

To the south of Mostovaya our tank forces advanced further south and attacked Nesterovo, about 15 km northeast of Byeloi. West of Sychevka our troops succeeded in gaining considerable ground to the west.

Northern Army Group: No important actions.

2. Finnish and Norwegian Front:

No important actions.

3. North Africa:

According to an Italian report, a state of siege and martial law have been proclaimed in Cairo. British troops have occupied the city. It is said that the Egyptian government, the diplomatic representatives, and the British advisers have left Cairo.

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The enemy 1st Armored Division is attacking, endeavoring to stem our deep penetration through the center of his positions. Enemy planes are carrying out heavy raids on our troops and supply routes, both day and night.

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Items of Political Importance

United States:

The Roosevelt address delivered on the occasion of American Independence Day refers to the present war as a war of liberation of the United Nations against the greatest tyranny the world has ever seen. The American press is critical of the exaggerated optimism which has its origin in the Russian army communiques and points out that the reports of losses in ships due to submarine warfare far outweigh the reports of victories won in Russia. The press goes on to say that because of the steel shortage it is not possible for the present to maintain the accelerated tempo of naval construction. The steel shortage is also the reason for giving up the vast factory construction program in favor of increased arms production. The only plants which are being expanded are those designed to produce synthetic rubber, aviation fuel, and explosives. The system of raw materials distribution will have to be drastically changed with a view to preventing their being used for products not essential to the war effort.

Brazil:

At a great protest rally in Rio de Janeiro staged against the Axis powers, the Foreign Minister declared that the Brazilian army would be used also beyond the borders of Brazil, if America should find itself threatened.

Special Items:

I. According to a telegraphic report of 2 Jul. from the Naval Attache in Tokyo concerning probable future Japanese operations, a Japanese attack on Australia during the current year has been given up, apparently due to the failure of landing operations off Moresby and Midway. The Japanese seem to entertain no fear that later on Australia will have grown too strong as a result of the continued Anglo-American delivery of war supplies.

It is possible that the Japanese will attempt once more the landing operation which failed, since it is believed that only during the current year will it be feasible to dislodge the Americans from their island position all the way from the north to Hawaii, constituting a threat to Japan. An attack against Ceylon is being prepared for the fall. This operation, which **Japan, in accord with our viewpoint, considers** of decisive strategic importance, will be undertaken in order to insure communication with the European Axis partners via the **Middle** and Near East. It depends, however, on the losses sustained by the fleet in its island operations. The German advance in North Africa is followed by the Navy with the most

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intense interest. Moreover, the Navy is opposed to any operation against Russia unless provoked.

A copy of the telegram as per 1/Skl 16379/42 Gkdos. in War Diary, Part C, Vol. XV.

The Attache's report shows how difficult it is for far-flung naval operations with their unavoidable lengthy preparations to keep pace with sudden changes in the situation, such as those occasioned by the unexpectedly swift and far-reaching victories of Rommel. It is indeed regrettable that the Japanese did not follow the suggestion of the German Naval Staff from the outset and that they failed in good time to decide in favor of shifting the center of their strategy to the Indian Ocean, which they, too, now recognize as the decisive theater of war. According to the Naval Staff, the pressing concern for the islands of the Pacific can be justified only from a strictly Japanese standpoint. Unfortunately, the Japanese seem to ignore the fact that a decision won in the Indian Ocean would benefit them to a far higher extent. A personal letter dated 1 Jul. from Admiral Nomura to the Chief of Staff, Naval Staff contains the statement that, inspired by his conference of 22 Jun. with the Chief of Staff, Naval Staff and in view of the rapid advance in North Africa, he requested Tokyo by telegram on 30 Jun. to reinforce the Japanese naval forces operating off the African coast as quickly as possible, in order to "smash the Anglo-American ships" operating in the northwestern portion of the Indian Ocean. Nomura believes that in view of developments in Africa, Tokyo will now fall in line with the position which he has been holding for a long time about the great importance of the north-western area of the Indian Ocean and which had always been rejected in favor of the Pacific and the southern theater.

The Naval Attache's report of 2 Jul. originated undoubtedly prior to the receipt of this Nomura telegram in Tokyo. It remains to be seen what Nomura has achieved with his proposal. As he himself points out, considerable time will elapse before it materializes, because of the great distances involved.

II. For the report of the Special Staff for Economic Warfare, Armed Forces High Command to the Chief of Staff, Armed Forces High Command, dated 28 May 1942, concerning blockade-running activities during 1941/2 as per 1/Skl 1015/42 Gkdos. Chfs. see War Diary, Part C, Vol. XI. About 32,000 tons of India-rubber and 26,538 tires or about 650 tons have been brought from Japan. About 1/5 of the

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ships and cargoes (3 ships totalling 19,000 GRT) were lost en route home from East Asia. Ships totalling 73,000 GRT reached home ports and 35,000 GRT departed. In view of the expansion of the Japanese-dominated area the prospects as regards blockade-running for the year 1941-1942 may be considered favorable.

III. The Naval Staff, Quartermaster Division has compiled a record of 93 warships and 189 auxiliary warships transported overland or by inland waterways. This includes transports already carried out and those still in progress or scheduled to take place. A copy of the record as per 1/Skl 15372/42 Gkdos. in War Diary, Part B, Vol. V.

Situation 5 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

The cruiser MILWAUKEE and the destroyer MOFFET have departed from Rio de Janeiro on 23 Jun. in a southerly direction. On 4 Jun., radio monitoring intercepted a badly garbled message from the Commander in Chief, South Atlantic Station to the British Admiralty. This message states that 1 steamer was still afloat on 3 Jun. at 15° 30'S, 16° W. The name "Alcopolaris" appears further in the text. The connection can thus far not be explained.

The German Consulate at Santa Izabel reports that the defenses of Duala have further been strengthened. A large American assembly plant has been built at Accra. U.S. planes are flown from here to Khartum. The parts for these planes are brought here by sea. The large number of ships in the port of Accra have to leave the harbor at night and cruise at sea. One torpedo boat is assigned to coast patrol duty. No blackout has thus far been imposed at Accra or Lagos and there is no information available at Accra concerning troop concentration for operations against the French colonies.

Indian Ocean:

In the area of the Mozambique Channel, Japanese submarines attacked 4 steamers identified by name.

2. Own Situation:

It has still not been possible to make a reliable identification of the third prize captured by ship "10". The Naval Communications Officer believes that it is the steamer MADRONO. The Naval Staff has forwarded to ship "10" a new confirmation to that effect, via Radiogram 2115.

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Ship "23" has received instructions via Radiogram 1312, requesting her to specify at her convenience what supplies a supply vessel scheduled to leave port in September should bring along for her.

All ships in foreign waters are notified by Radiogram 1455 of the change of one item in sailing orders of prize ships with reference to their entering the Gironde.

All vessels in foreign waters are further notified by Radiogram 1148 concerning Franco-American and Franco-German relations, as well as concerning situation of the French squadron in Alexandria.

Information concerning enemy situation by Radiogram 2306.

II. Situation West Area

1. Enemy Situation:

Air reconnaissance sighted 2 merchant vessels on course 160° in quadrant BF 4292 at 1115. They may be carrying out a mining mission.

2. Own Situation:

Atlantic Coast:

4 ground mines have been removed off the Gironde and Lorient.

Channel Coast:

For some time past and with increasing frequency our guns have been shelled by enemy long-range batteries. Group West ordered that enemy gun positions should be shelled in keeping with the instructions of the Commander in Chief, Navy, which allowed occasional firing on enemy convoys. Group West requests subsequent authorization and the Chief, Naval Staff grants same.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

It is reported belatedly that on 28 Jun. patrol vessel VP "1209" shot down a 4-motored enemy bomber off Roter Sand; the plane had probably been damaged earlier by land-based anti-aircraft guns.

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Convoy operations in the area of the Commanding Admiral, Defenses, North are proceeding according to plans. Due to weather conditions, some of the channel sweeping operations had to be cancelled. A few ground mines were swept. Operations to lay minefield 5a (Thusnelda minefield) have gotten under way.

2. Norway:

Examination of the LUETZOW by divers revealed that the inner bottom is apt to stand up under normal circumstances, but that it might be affected by strong explosions and vibrations. The ship is on a 3-hour alert. (See Telegram 1435.)

Otherwise nothing to report.

3. Arctic Ocean:

Enemy Situation:

The force was sighted at 0655 in quadrant AB 2732 and was pursuing a mean course of 270° at a speed of 15 knots. Until about 0300 air reconnaissance and submarines still reported the convoy and cruiser group proceeding together. According to a submarine sighting report the cruiser group, moving at high speed, dropped out of sight at 0358 west of quadrant AC 1665. It appears then that the cruiser group discontinued escorting the convoy and is moving away in a westerly direction. According to a report of the 5th Air Force, the task force reported by air reconnaissance at 2130 on 4 Jul. and consisting of 1 battleship, 1 heavy and 2 light cruisers, and 3 destroyers, was at the time pursuing a course of 300° at a speed of 20 knots. It is, therefore, to be assumed that this escort force had already turned back during the evening of 4 Jul. in the area north-east to north-northeast of Bear Island and started back in south-westerly direction. According to Group North the heavy unit was last reported at 1745 on 4 Jul. in quadrant AC 1647. The convoy proper was already reported beginning 0100 on 5 Jul. by planes and submarines as widely scattered, that is, separated into a northern group consisting of some 18 steamers and a southern group consisting of about 12 steamers. With the northern group an escort force made up of 3 destroyers and 2 corvettes was sighted; with the southern group 1 light cruiser. The northern group was last sighted at 1550 in quadrant AC 2695. From this time forward convoy PQ 17 seems to have completely broken up into tiny groups or single ships which endeavored to reach their ports of destination by sailing as far northeast as possible.

According to photographic reconnaissance carried out on 5 Jul. at noon, the following ships were lying at Scapa Flow: 1 battleship KING GEORGE V class, 1 cruiser which seemed to belong to the FIJI class, 1 cruiser apparently of the LEANDER class, 1 of the AURORA class and 1 of the COVENTRY class, 2 other cruisers and a number of destroyers (5 or 6), as well as 2 PT boat flotillas.

At 1745 air reconnaissance sighted a force consisting of 4 cruisers and 9 destroyers. One of the latter was identified as of the LONDON class. The force was located in quadrant AB 27, pursuing a 270°

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course and proceeding at a moderate speed. Contact was maintained until 1910.

From 1450 to 1814 air reconnaissance brought in continuous reports from Cleethorpes concerning submarine and air attacks on vessels of the convoy. (For details see Radio Intelligence Report 2200 in files "Roesselsprung".)

2. Own Situation:

a. Operation "Roesselsprung":

The following situation presented itself during the early morning of 5 Jul.:

The convoy was already badly dispersed during the night of 4 Jul. by the blows of our air force. The escort groups, which had been reported in its vicinity, withdrew to the west in the evening and during the early hours of the night of 4 Jul. No report has yet been received of the sighting of the carrier force. A clear picture of the enemy situation between Norway and Spitsbergen up to about 5° E could soon be expected from air reconnaissance in view of favorable weather.

Accordingly the Commanding Admiral, Group North reported his view of the situation at 0600 as follows:

1. "If the battleship mentioned in both air reconnaissance and submarine reports belonging to the group in the vicinity of the convoy is damaged by 1200, then I consider it expedient to make an attack without thought for the carrier, provided the latter has not been located by then.

2. "I do not believe it likely that the carrier will venture into the effective range of our bombers, and I do not expect her planes to have too great an effect if the convoy is attacked south of 72° and the carrier is obliged to send her planes into action from so great a distance.

3. "The deadline for the departure of our ships for operation "Roesselsprung" is 1300 on 5 Jul., since otherwise the battle against the convoy would be too near the coast.

4. "Request general consent to point (1) in order to be able promptly to issue the key word without having to expect the order to be recalled."

In view of the Fuehrer's demand that the fleet should not venture a thrust unless the enemy carrier has been located and eliminated, the Chief, Naval Staff has for the time being declined to consent to the action. Group North was informed to that effect at 0915. In the meantime, however, the reports of extensive air reconnaissance have come in. Most pertinent among them is the sighting of the carrier force at 0655 in quadrant AB 2732, withdrawing in westerly

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direction. From this fact it may be concluded that the enemy is by no means inclined to expose his heavy fighting forces and carriers to the attacks of the torpedo planes and bombers of the Air Force operating from the Norway area. Furthermore, it is open to doubt whether the enemy, who has been at sea with his carrier force since about 1 Jul., is at all in a position to continue the operation. It is possible that he is forced to begin to turn back to base or at least to repair to a waiting position in the Arctic Ocean for refueling at sea from tankers, an operation which will involve considerable time. Under these circumstances, the enemy carrier force hardly presents any threat. Moreover, the Air Commander, Lofoten Islands reported as of 1004 that no enemy was sighted under good visibility conditions between 14° and 26° E up to the ice-barrier.

The Commanding Admiral, Group North then repeated his suggestion by telephone to the Chief of Staff, Naval Staff and subsequently to the Chief, Naval Staff; the latter then gave his consent. The permanent representative of the Commander in Chief, Navy at the Fuehrer Headquarters received instruction to apprise the Fuehrer of the situation and obtain his consent for the attack. He may report the successful accomplishment of this mission at about 1130.

In the meantime, the Chief, Naval Staff transmitted through the Chief of Staff, Naval Staff to the Commanding Admiral, Group North the additional condition that the operation must not be executed if disturbing news is received concerning the enemy carrier or if our forces are sighted by enemy planes. The Fuehrer's consent was transmitted by telephone at 1140 through the Chief of Staff, Naval Staff to the Commanding Admiral, Group North. The fleet forces which had been placed by Group North under a one-hour alert as early as 0900 as a precautionary measure and which were under order of immediate readiness as of 1052, were given the agreed key word for the operation by Group North at 1141. At 1300, Group North took over the command of the operation, ordering the force to come out near Nordkyn and cross the Brei Sound, preceded by an anti-mine escort.

The following picture presents itself on the basis of the estimate of the situation compiled by Group North and transmitted to the Fleet Commander at 1245.

"A heavy vessel of the enemy fleet was last reported by the Air Force in quadrant AC 1647 at 1745 on 4 Jul. Only cruisers and destroyers have since been located near the convoy. A cruiser group was sighted by a submarine at 0110 in quadrant AC 2440, pursuing a westerly course at high speed. At 0645 a carrier group was located in quadrant AB 2732, proceeding at a moderate speed, on a 270° course, probably in waiting position. The area between 14° and 26° E was reconnoitered today under good visibility and reported to be free of enemy forces. According to data obtained thus far, only cruisers, destroyers, and submarines are escorting the convoy. The latter is divided into two groups and is spread out over a large area. Numerous damaged ships are gathering together. Our submarines are at the convoy. Thus far the enemy appears not to have

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discovered our force lying in the Alta Fjord. The probable area of operations for tomorrow noon is quadrant AC 6600 and AC 6900. There are none of our submarines along the approach route. Should the enemy situation undergo a change, particularly with reference to position of carriers, the order may be recalled."

Group North, therefore, believes, that besides the cruiser group no heavy task force including a battleship has been in the vicinity of the convoy after 1745.

At about 1610, the Fleet Commander received the following directive from Group North:

"Short operation with partial success preferable to attempt at complete victory involving longer period of time. Report at once all enemy planes overhead. Do not hesitate to break off operation if situation becomes serious. Under no circumstance permit the enemy to score success against nucleus fleet."

This directive follows the principles laid down by the Chief, Naval Staff in the morning.

The force, including the TIRPITZ, the HIPPER, the SCHEER, and 8 destroyers sailed out from behind the islands, heading east according to plan. The Chief, Operations Division, Naval Staff regards the prospects for operation "Roesselsprung" as being decidedly favorable. The carrier group was last sighted far out west departing on a westerly course. The battleship escort group and the cruiser group have also left the convoy and were on a westerly course when last sighted. It is to be assumed that only isolated cruisers and destroyers are escorting the convoy. The convoy itself is broken up into sections and scattered far afield. Having 11 ships at our disposal we are nonetheless likely to have a good opportunity to attack the convoy, making use of plane and submarine sighting reports.

In the evening radio monitoring intercepted 2 reports from a British vessel, probably a submarine, which had sighted 2 battleships and 8 destroyers at 1700, giving the position as 71° 25' N, 23° 40' E, course 45°. The same submarine likewise sighted 11 vessels at 1816, located at 71° 31' N, 27° 10' E, course 65°. Thus, no doubt, the enemy had detected the impending operation of our fleet force. The Naval Staff learned of this by telephone through the Commanding Admiral, Group North and again by telegram at 2035 and 2103.

Group North further reported that the enemy has begun seriously to interfere with our radio communication, causing considerable disruption. This enemy measure may mean that the Admiralty has also been informed about the departure of our fleet forces.

Thereupon the Commanding Admiral, Group North and the Chief of Staff, Naval Staff discussed the situation by telephone; they concluded

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that in view of this unexpected sighting report the enemy is now in a position to bring up again his heavy task force and carrier in order to engage our force at the latest on its way back from the mission. It had to be assumed that the enemy would attack with utmost determination any such target as the TIRPITZ group. Group North thereupon advanced 3 possible courses:

a. To continue the operation according to plan and take the risk involved.

b. To continue the operation only on a limited scale until such time when the enemy could theoretically cut off our retreat.

c. To turn back at once, leaving the submarines and planes to operate against the convoy.

The Commanding Admiral, Group North believes that, since the enemy has located our task force, the operation must be broken off if we are to carry out the order that a clash with the carrier must under all circumstances be avoided. Express directives would be required for us to be relieved of this restriction. If we adhere to this order, our force cannot operate as long as would be required for us to attack the convoy because the enemy may again bring up the carrier group, cutting off the retreat of our task force, or send his carrier planes into action. However, Group North requests full freedom of operation for approaching the convoy. The Group is of the opinion that the risk involved in the operation will be in direct proportion to the prospects of success which it offers. The Operations Section is also of the opinion that in view of the opportunity for great strategic and operational successes which this situation offers, the risk connected with the continuance of the operation must be taken. Further reason for taking the risk is the fact that the carrier group seen speeding westward at 0655 in quadrant AB 2732, i.e. approximately 400 miles from the North Cape, was not sighted thereafter in the area patrolled by our air reconnaissance. Furthermore, it may safely be assumed that no heavy vessels are in the vicinity of the convoy.

The Chief of Staff, Naval Staff communicates to the Chief, Naval Staff the position taken by Group North and the Chief, Operations Division, Naval Staff. However, the Chief, Naval Staff, conscious of the responsibility which he owes the Fuehrer for safeguarding the few valuable ships, orders the operation broken off.

The fact that enemy reconnaissance detected our force so early and that thereby there arose the possibility of its being endangered by superior enemy carrier planes was decisive in breaking off the operation. Additional weight in shaping the decision was exercised by the fact that the dispersion of the convoy brought the risk involved in committing the fleet forces out of proportion to the task which could be left to the planes and submarines.

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On the basis of the directive received from the Chief, Naval Staff, Group North reported at 2151 that the Commanding Admiral, Fleet received corresponding orders and returned the operational command of the submarines in the Arctic Ocean to the Admiral, Arctic Ocean. Upon return to the shore waters, Group North ordered the transfer of the TIRPITZ, HIPPER, SCHEER, and 5 destroyers to Narvik, while the LUETZOW, destroyer Z "24", IHN, and the torpedo boats were ordered to Trondheim, under the command of the Admiral, Arctic Ocean.

b. Operation of Air Forces and Submarine Against Convoy PQ 17:

The disappointment following the necessary discontinuance of the operation by the surface forces, which the Naval Staff had counted on to produce a great naval, strategic and political victory, is alleviated by the great successes scored in the attacks carried out by the submarines and planes.

After evaluating the reports concerning successes scored in raids by 23 He 111's at about 2000 on 4 Jul., the 5th Air Force reports sinking 4 ships with a total tonnage of 24,000 GRT and damaging 5 ships totalling 37,000 GRT so seriously that further sinkings are to be expected. Furthermore, 6 ships totalling 29,000 GRT have been slightly damaged. The enemy defense is said to have been so strong that, unfortunately, our attacking forces suffered heavy losses. The action of 5 Jul., which was staged with the bulk of our forces late in the afternoon, yielded the following results: 69 Ju 88's of the 30th Bombardment Group sank 8 steamers totalling 51,000 GRT, probably sank 2 steamers with a total of 14,000 GRT, and damaged 6 steamers totalling 34,000 GRT. There is no final report in as yet on the operation of the torpedo planes. According to the report of the 5th Air Force our bombers found it difficult to get at the widely scattered convoy. An organized defense was no longer possible. The actual figures on tonnage sunk are probably much higher than those given. 34 prisoners were brought in by the He 115's which were in the action.

The submarines operated against isolated ships and reported the sinking of 6 steamers totalling 47,526 GRT, so that the total of successes scored by them thus far amounts to 8 steamers with a total tonnage of 58,526 GRT. Of the steamers sunk, 3 had already been damaged by our Air Force. This outstanding success against the enemy is to be explained by the fact that our air raids staged on the evening of 4 Jul. had scattered the convoy so that there was no longer any organized resistance against submarines over the wide area covered by the separate ships. The order to make the cruiser group escorting the convoy the main target was not put into effect.

Submarines U "251" and U "376" arrived in Harstad. These submarines as well as submarine U "408" are scheduled to leave again.

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Submarine U "334" was strafed and bombed by a plane at 1830, suffering damage and becoming incapable of diving. The attack is reported to have been carried out by a Ju 88, but it may actually have been a Russian plane. Despite being damaged, submarine U "334" was still able to sink a steamer while making her way back to Kirkenes and take aboard the captain of the vessel. On 4 Jul. this submarine witnessed an aerial torpedo attack on a large vessel at a distance of about 12 miles. The plane was seen to score a direct hit, whereupon the vessel was rocked by an ammunition explosion. Judging from the superstructure and the mast of the ship which capsized instantly, there is reason to believe that it was an American vessel (perhaps a cruiser).

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Lively activity of **groups** of small Russian boats in the area between Kronstadt and Lavansaari. 7 PT boats were **en** route from Kronstadt to Lavansaari, and 2 were observed moving in the opposite direction.

2. Own Situation:

Convoy missions in the area of the Commanding Admiral, Defenses, Baltic Sea, are proceeding according to plan. 1 mine has been removed from the Nyborg-Korsoer route by a Danish mine sweeper.

In the eastern Baltic Sea, the steamer ANNA KATHERINA FRITZEN was sunk by an enemy submarine off Schwarzort as a result of a torpedo hit. The steamer LANGSEE was unsuccessfully attacked by a submarine off Nidden. Troop transports in the eastern Baltic Sea have been stopped and subchasers were sent into action. Merchant ships continue to operate. The submerged net in the Gjedser mine field gap has been laid out.

Group North requests that the Naval Staff recommend to the Air Force that it be guided by the tactical plans of the Finnish Command regarding the assignment of its Siebel-ferry **group** on Lake Ladoga. (See Telegram 0009.)

V. Merchant Shipping

Naval Station, Baltic Sea submitted a report concerning numerous runs by Swedish merchant vessels contrary to the directives of the German Navy, which have already resulted in the loss of a Swedish ship. The Naval Staff has asked the Foreign Office to make representations to the Swedish government in connection with this situation. Further particulars in War Diary, Part C, Vol. VIII.

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VI. Submarine Warfare:

1. Enemy Situation:

According to radio monitoring, a mine field has been laid at the entrance to the harbor of Charleston. All naval and merchant vessels have been given warning. Messages were intercepted reporting sighting of submarines off the American coast, along the coast of Florida, in the Yucatan Strait, at the northern end of the Panama Canal, and off Tampico. In the Mediterranean Sea submarines were sighted off Jaffa.

2. Own Situation:

For operations against convoy PQ 17 see Situation, Arctic Ocean. Particulars in Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

Submarine U "458" reports sinking the steamer MOSFRUIT (2,700 GRT) off the American coast on 30 Jun. Submarine U "161" penetrated into the harbor of Puerto Limon on the night of 3 Jul. and sank the steamer SAN PABLO lying at the pier (3,305 GRT).

Since the departure of the supply ship UCKERMARCK from western France during the new moon quarter of the month of July has been cancelled, the Naval Staff opens route "Anton" between 10° N and 5° S to submarines effective immediately until 25 Aug. 0000. Between the equator and 5° S the eastern boundary is set at 20° W. The Commanding Admiral, Submarines is instructed to that effect.

VII. Aerial Warfare

1. British Isles and Vicinity:

For reconnaissance findings see Situation, Arctic Ocean. In the night of 5 Jul., 8 planes were sent out to lay mines in the Bristol Channel.

2. Mediterranean Theater:

The Commanding General Armed Forces, South sent his forces into action against Malta and in the area of the El Alamein positions. No detailed reports have as yet been received.

In the night of 4 Jul. the Suez Canal was mined by 8 planes.

3. Eastern Front:

On 4 Jul. a PT boat was sunk in the eastern area of the Sea of Azov, and another one damaged, probably by the Croatian air force.

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On the same day in the Gulf of Finland an enemy mine sweeper and a 2,000 ton steamer were damaged during an air raid.

The attacking armies all along the Army fronts are receiving very strong support. For operation against convoy PQ 17 see Situation, Arctic Ocean.

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

1. Enemy Situation:

In the forenoon the cruiser CHARYBDIS again put into Gibraltar. The Italian Navy reported sighting of a submarine 80 miles east of Sfax and 90 miles east of Cape Colonna.

In the area north of the Nile Delta and between Port Said and Haifa air reconnaissance observed considerable convoy traffic. Some 110 miles north of Sidi Barani a destroyer has been sighted, pursuing a southeasterly course. Since her departure from Alexandria the QUEEN ELIZABETH has not been sighted by air reconnaissance. 5 submarines entered the port of Haifa in the forenoon of 5 Jul. In the morning of 4 Jul. the following ships were anchored in Haifa: 1 cruiser, 1 monitor, 5 destroyers (2 of the latter Greek), 2 Greek torpedo boats, 2 patrol vessels, about 47 steamers with a total tonnage of 220,000 GRT, and 9 tankers totalling 45,000 GRT, as well as 2 passenger ships with a combined tonnage of 9,000 GRT.

2. Own Situation:

In the night of 4 Jul. the enemy staged an air raid on Benghazi, without inflicting damage.

The 3rd PT Boat Flotilla was sent into action on the same night in the area north and northwest of Alexandria. No contact with the enemy has been reported.

3. Transport of Supplies to North Africa:

The convoy of the BIXIO, ANKARA and MONVISO has finally reached Benghazi in the evening of 4 Jul. after having undergone another unsuccessful air attack. The steamer PETRARCA and the tug MAX BEHREND, towing an auxiliary sailing vessel which carries aboard cargo from the SAVONA arrived at Tobruk. The total cargo unloaded at Tobruk on 3 Jul. is 270 tons. On 4 Jul. 320 tons were unloaded; unloading is hampered by a shortage of trucks. The cargo discharged on 4 Jul. at Marsa Matruh amounted to 290 tons.

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Transport submarines are proceeding according to plan.

The Chief of Staff, German Naval Command, Italy notified the Commanding Admiral that the only way in which the Italians could be brought to institute direct routing of ships to Tobruk would be by way of a proposal directed by the Commanding General Armed Forces, South to the Italian High Command. The constant urging of German Naval Command, Italy met with refusal thus far, on the grounds that the persons in authority were in Africa and that information concerning conditions in local ports is incomplete.

4. Area Naval Group South:

Aegean Sea:

On 4 Jul. an enemy submarine was sighted by the air escort of the Crete Squadron and was attacked unsuccessfully. The 20th Crete Squadron entered the port of Candia on 5 Jul. Three steamers of the Citta class as well as the steamer DELOF and the necessary escort forces, all intended for transport of supplies to North Africa, are on 1 hour alert beginning at 1800.

Black Sea:

Enemy Situation:

According to radio monitoring, continued submarine activity and movements of small vessels were noted.

Own Situation:

In the night of 3 Jul. a landing attempt by small motor boats in the Lapsi Bay, west of Cape Sarich, was smashed. The motor boats were evidently carrying refugees from Sevastopol. The shipyards at Sevastopol are completely destroyed, according to reports up to now. Convoy missions are being carried out in accordance with plans. According to a report of Group South, 90,000 tons of supplies have been delivered to Russia by sea from 20 Apr. to 3 Jul. and 5,000 tons have been brought back from there. Successful enemy countermeasures caused an interruption of these transports for a period of 18 days in the month of June. As a result of mines, 2 of our naval barges and the only mine-exploding vessel operating in the Black Sea were lost in the course of these transports, while 2 Rumanian supply steamers or 29% of the total available shipping tonnage were sunk by submarine torpedoes off Odessa. Enemy assaults on our supply routes continue by means of submarine-laid mines and air raids. There is no evidence of enemy surface vessels being employed in these actions.

An urgent request by the Admiral, Black Sea to order outstanding experts on aerial mines for temporary assignment to Nikolayev is approved and forwarded by Group South. (See Telegram 1325.)

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For proposal of Group South that the part played by the 1st PT Boat Flotilla in the final battles at Sevastopol be made known in the communique of the Armed Forces High Command see Telegram 1710. Further action is to be taken by the Executive Office of the Commander in Chief, Navy.

IX. Situation East Asia

Nothing to report.

X. Army Situation:

1. Russian Front:

Southern Army Group:

Operations of the 6th Army and of the Von Weichs Group are proceeding according to plan. The troops reached Sosna, crossed the Potudan and advanced as far as Krasnolipetskoye. West and southwest of Voronezh the enemy is offering resistance from fortified positions. These positions are manned for the most part by hard-fighting labor militia. Heavy troop movements in a southerly direction have been observed on the Yelets road and along the rail lines running from the east. The railroad bridge to the west of Voronezh is the objective of some of the hardest fighting. Zemlyansk has been taken. The enemy is offering tough resistance on the Uritskoye-Livny sector.

Central Army Group:

South of Novosil a number of enemy assaults have been repulsed. In the night of 4 Jul. the enemy staged heavy air raids on Orel and on our positions north of the city. On the Roslavl-Bryansk road pitched battles developed against heavy partisan detachments. The 19th Panzer Division is being brought down from the north. South of Mostovaya the 1st Panzer Division succeeded in effecting a junction with our forces driving forward from Byeloi, thus closing a large pocket. The enemy supply route to the east of this position has been blocked.

Northern Army Group:

Enemy attacks south of Demyansk have been repelled. Our sallies south of Staraya Russa have also been halted by enemy counter-pressure and had little success.

2. Finnish and Norwegian Front:

Situation unchanged. Forest fires on both sides.

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3. North Africa:

According to Army General Staff, Intelligence Division, West troops and concentration of materiel near El Kantara (Suez Canal) were reported at the end of June. The 8th Indian Division has just been transferred from Iraq and Iran to the Egyptian front. Several reports have come in stating that the 9th Australian Division is being brought up from Palestine and Syria. The Division is probably assigned, along with parts of the 8th Army, to the defense of the Suez Canal. Fortifications are alleged to have been erected along the eastern shore of the Canal. Evacuation of Cairo is said to have begun on 1 Jul. The enemy is also said to have committed units of the 50th British and 5th Indian Infantry Divisions for the reinforcement of the El Alamein defense positions.

Except for artillery and patrol activity the enemy has adopted a waiting attitude on the El Alamein front. A heavy concentration of motorized vehicles has been observed to the east of that position. It is likely that new enemy units are being brought up. During a disengaging movement of the German Panzer Division the enemy was able to effect slight local penetrations. Very intense aerial activity on both sides.

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Items of Political Importance

Great Britain:

The periodical Nineteenth Century offers a few significant reflections on what Britain's attitude is going to be in the post-war period, listing among its objectives the prevention of a third world war, restoration of the European balance of power, which necessitates above all the destruction of German unity, and the reestablishment of the small nations. The idea which has been championed in Britain time and again, and according to which Russia is to gain the ascendancy in Eastern Europe while Germany is to exercise influence in Western Europe, must be utterly rejected. Germany must be ruled out as a military and political factor. Thus Russia could have no reason to seek incorporation of the Balkan countries, whose independent existence is vital from the British standpoint. Britain is not in this war to win a Russian or an American but a British victory.

It is useful occasionally to determine from such deliberations on the part of the enemy what Germany has at stake in this war.

South Africa:

In the opinion of the President of the Senate, British supremacy in the Mediterranean has sustained a heavy blow with the loss of Tobruk, since this permits seizure of the Suez Canal with all the consequences entailed. South Africa, the President stated, is seriously affected by this new development. Further details in Political Review No. 155, Paragraph 1.

India:

The reports on hand confirm the impression that Gandhi's present position, which admits the continued presence of British troops as a defensive measure against a possible Japanese attack and as a means of lending assistance to China, relieves the tenseness of the Indian question as far as the British are concerned.

Egypt:

Reports concerning the domestic situation in Egypt have come in from various sources. These reports indicate that King Faruk has been brought into line to a greater extent. The recall of the former Prime Minister Maher who had been driven out by the British has had a good deal to do with it.

Turkey:

According to press reports, the process of reorientation of Turkish diplomacy is continuing. It is evident that the Turkish government is preparing for the future in order to be able to carry out a

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reorientation of the cabinet and thus of Turkish diplomacy in the event of a change in Turkey's political attitude.

Syria:

As a result of the withdrawal to Egypt of a large number of British units stationed in Palestine, Lebanon, Syria and Iraq, the arming of the Jews and the formation of independent Jewish units, hitherto not permitted, are said now to have been initiated.

U.S.A.:

According to American reports, the agents who were taken in submarines to the United States by our Intelligence Service have been apprehended. The 8 defendants who are doomed to receive the death penalty will be tried by a military commission in Washington.

Argentina:

Although there are no binding agreements for joint action on the part of Argentina and Chile with regard to their relations with the Axis powers, it appears from a statement by the Argentine Foreign Minister that it is planned to discuss such an agreement in the event that the problem of severing relations with the Axis powers should become acute in one of the two countries.

Conference on the Situation with the Chief, Naval Staff

I. Operation "Roesselsprung":

The Chief, Naval Staff explained that he ordered the operation to be broken off because, in view of the present favorable overall situation, he wished to avoid at all cost a possible setback to the Navy such as the loss of a heavy ship or damage thereto would represent. Furthermore, as the situation developed in connection with convoy PQ 17 the commitment of the heavy ships could only have brought results not at all commensurable with such losses or damages.

The Chief of Staff, Naval Staff points out that in view of this situation the question will have to be considered whether it would be advisable in the future to abandon operations against the heavily protected eastbound convoys in favor of attacks by our fleet forces against westbound convoys which carry no cargo and are not so heavily protected. The Chief, Naval Staff agrees, asserting that the tactic of striking at the enemy with our fleet forces at the very last moment from the Alta Fjord in an easterly or a northeasterly direction is not only feasible, but one that offers the best prospects. In this case, even the threat from the Russian air force can be put up with.

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In accordance with the proposal of the Naval Staff, the Chief, Naval Staff expresses his agreement with the disposition of the fleet forces suggested by Group North.

II. The Chief of Operations Branch, Operations Division, Naval Staff reports that the "Thusnelda" mining operation (mine field 5a of the West Wall replacement) has been started.

On the basis of accounts on hand, the Chief of Operations Branch, Naval Staff, Operations Division reports further on the damages sustained by the LUETZOW and 3 destroyers.

III. The Chief of Communications Division, Naval Staff reports on the interference with our radio communications effected by the enemy for the first time upon his detection of our fleet forces by submarines. This interference was so effective that we were compelled to switch to another frequency. We were thus able, although with some difficulty, to use our radio communication. The direct communication between our air and naval forces engaged in operation "Roesselsprung" worked without a flaw. The only fault found was that the communication channel was too heavily loaded.

IV. The Chief, Quartermaster Division, Naval Staff reports that the GNEISENAU was deactivated on 1 Jul. in accordance with orders. It is reported that the completion of the PRINZ EUGEN will be delayed until 31 Oct. because the 800 additional shipyard workers requested have actually not been made available. That deadline could be met only by drawing on the workers engaged in the construction of new destroyers and type XB mine-laying submarines.

The Chief, Quartermaster Division, Naval Staff further reports that Italy received a total of 60,000 tons of fuel oil from Rumania during the month of June and may expect to receive the same quantity during the coming months. Thus the Italian Navy will be provided with the full quota of its requirements.

In a Very Restricted Circle:

V. The Chief of Operations Branch, Naval Staff, Operations Division reports on a message sent on 4 Jul. by the German General attached to the Italian Armed Forces Headquarters to the Armed Forces High Command, as per copy in War Diary 4 Jul. Special Items.

VI. The Chief of Operations Branch, Naval Staff, Operations Division gives an account of the survey presented by the Chief of Staff, Naval Staff as per directive of the Commander in Chief, Navy regarding the loss of submarine U "557" as a result of a collision with the Italian torpedo boat ORIONE. The results of the investigation do not warrant instituting preliminary court-martial proceedings in the case. The Chief, Naval Staff approves the report and considers the matter closed.

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Special Items:

The Naval Attache at Istanbul reports on 2 Jul. concerning his conference with the Japanese Naval Attache. The latter stated that additional Japanese submarines would be dispatched to the Gulf of Aden provided that we are actually aiming for the Suez Canal at this time and that our offensive would not be halted. If, however, our immediate goal consists only in the creation of favorable jumping-off positions for a future offensive, then Japan could not make available her few submarines which are urgently needed in other theaters. The report confirms the fact that the Japanese Navy has issued uniform instructions to all of its representatives, since the same opinion had been expressed to the Naval Staff by the Japanese Naval Attaches at Rome and Berlin.

Situation 6 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

According to radio monitoring, a Greek steamer supposedly sighted a submarine 420 miles west of St. Helena. This report is very doubtful.

2 vessels and 8 destroyers arrived at Buenos Aires on 3 Jul.

According to an allegedly reliable intelligence report, the route used by Great Britain and the U.S. for the transport of heavy war materiel runs through Massabi and Pointe Noire, Congo, up toward Leopoldville and Brazzaville. The materiel is then floated up the Nile on lighters, continuing from Itumburi to Aketi and thence by rail as far as Redjaf on the Nile. Thereupon it is transported by a Nile steamer as far as Khartum.

2. Own Situation:

Ship "23" was informed by Radiogram 2032 that the SCHLIEMANN has been ordered to report daily at a specified rendezvous point beginning 15 Jul.

Prize ship III is being informed that the Naval Staff will notify Tokyo of her arrival (see Radiogram 1012).

Ship "10" receives renewed confirmation to the effect that the Naval Staff assumes prize ship III to be the MADRONO (see Radiogram 1506).

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For report concerning enemy situation and the course the exchange ship GRIPSHOLM will take on her way back from Lourenco Marquez to New York see Radiograms 1059 and 2350.

II. Situation West Area

1. Enemy Situation:

According to air reconnaissance and radio monitoring the increase in the two-way shipping traffic from the Thames area into the Channel ports, noted during the second half of May, was maintained at the same rate throughout June. Whereas the number of convoys between the Bristol Channel and the Portsmouth area has not risen above normal, this type of activity between the Thames and the Portsmouth areas has been stepped up threefold as compared with normal traffic. No information has been obtained as to the source of the additional tonnage. Nor is there anything that would disclose a definite reason for the increased shipping activity in this coastal area (unless it means preparation for an invasion along the Channel coast?)

According to a report of the Military Attache at Ankara originating in presumably well informed political circles, a large-scale invasion by the British is to take place in Holland and at 2 points in France during the week of 12 Jul. (Continuation of the war of nerves.)

During the forenoon of 6 Jul., air reconnaissance located 50 assault landing boats between Start Point and Salcombe.

The convoy coming from Gibraltar was observed in its original strength in the morning some 480 miles west southwest of Brest on 75° course.

2. Own Situation:

A brief engagement took place off Cape Blanc Nez at 0125 between our escort vessels (12th Motor Mine Sweeper Flotilla) and enemy PT boats. No further details have been received.

During the night of 6 Jul. 8 boats of the 2nd PT Boat Flotilla were dispatched on torpedoing missions.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Mining mission "Thusnelda" was started before noon by the ROLAND.

Otherwise nothing to report.

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2. Norway:

On 3 Jul. limited enemy air activity over Petsamo, on 5 Jul. in the area of Trondheim and over the coastal islands between Trondheim and Aalesund. In the early morning of 6 Jul. air reconnaissance operated over Aasen Fjord.

The damaged destroyers GALSTER, RIEDEL and LODY arrived in Trondheim.

For report from Group North on the inspection of the LUETZOW, see Telegram 1045. Estimated time for repairs is 3 months.

Group North believes that it would be desirable for the LUETZOW to undergo repairs at Trondheim while being kept in readiness for action in urgent cases. For the time being, the Naval Construction Division is to handle further measures.

3. Arctic Ocean:

Enemy Situation:

In the morning, convoy PQ 17 was still scattered over a wide area east of 40° E. At 0800, air reconnaissance sighted a group of 7 steamers in quadrant AC 3323. Further losses occurred as a result of air raids in the course of the day. At 1635 a carrier-based plane was sighted by our submarine in quadrant AB 9326. It is possible that this wheeled plane was catapulted from a steamer.

The testimony of the captured captain of the steamer CARLTON which was sunk by a submarine on 5 Jul. confirms that the strength of convoy PQ 17 is 36 to 39 ships. The convoy left Reykjavik on 28 Jun. Its escort protection allegedly consists of 15 to 20 destroyers and patrol vessels, 2 anti-aircraft destroyers, as well as the U.S. cruisers TUSCALOOSA, WICHITA, and INDIANAPOLIS in addition to 1 British cruiser, probably of the London class. The convoy was dispersed as a result of a heavy air raid on the evening of 4 Jul. The commander of the convoy issued an order to scatter and make for their respective destinations independently. No more heavy cruisers have been sighted since 4 Jul. The captain feared that the German ships TIRPITZ, GNEISENAU and PRINZ EUGEN had put to sea and that the cruisers were operating against them. The captain knew nothing about the presence of heavy British forces at sea. The convoy, he stated, had no other anti-aircraft defenses outside of the ship planes. The prisoner had witnessed the sinking of 2 American, 1 British and 1 Russian ship by aerial torpedoes and bombs on 4 and 5 Jul. The cargo aboard the CARLTON consisted of six 28-ton tanks, ten 13-ton tanks and 14 sealed crates weighing 20 tons each, as well as 200 tons of explosives for the manufacture of powder, and 200 tons of ammunition. This cargo was loaded in Philadelphia where the departure took place on 13 Mar.

Further data as per report of the 5th Air Force are to be found in the file "Roesselsprung".

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Own Situation:

a. Operation of Submarines and Planes against Convoy

PQ 17:

On the morning of 6 Jul. our submarines had no contact with the enemy. They had received an order from the Admiral, Arctic Ocean to patrol the area between 42° and 48° E on the lookout for ships heading for Archangel. After position reports as of 0800 had come in the submarines were dispatched to quadrant AC 3323.

Submarines U "376" and U "408" left Narvik on the night of 5 Jul. according to plan. Submarine U "456" and U "334" were en route to Kirkenes where they were expected to arrive in the evening. Submarine U "657" was compelled to start back for Narvik in the forenoon, an inner fuel tank having sprung a leak. With the sinking of a ninth steamer the total of successes scored by our submarines rose to 69,126 GRT.

The 5th Air Force Command reported the sinking of 19 steamers totaling 122,000 GRT and a heavy U.S. cruiser as the results of its operations against convoy PQ 17 through 6 Jul. The operation against some 7 remaining ships is being continued.

Thus was achieved one of the most outstanding successes to be scored at one blow against enemy supply lines, through the most exemplary cooperation between Air Force and submarines. A convoy carrying a full cargo of war materiel from America, some of which had been under way many months, was almost completely annihilated in spite of very strong escort, just as it was approaching its destination. Thus a severe blow has been dealt to Russia's armament and a serious breach made in enemy shipping tonnage. The strategic, physical and moral effect of this blow is similar to that of a lost battle. Aided by circumstances, the Air Force and the submarines, in 3 days of purposeful and unerring action achieved what was to have been accomplished by the attack of the fleet forces on PQ 17 in operation "Roesselsprung".

For the report of the 5th Air Force concerning the air attack against submarine U "334", see telegram from Group North. Copy as per l/Skl. 16421/42 Gkdos. in file "Roesselsprung".

b. Operation "Roesselsprung":

At 0330 our task force returned to the island waters via Svaerholthavet and set out en route to Narvik at 1800 according to plan, after a short stop at Alta Fjord for replenishment. The force was compelled to drop anchor at Lang Fjord near Arnoe, at 2245, owing to fog.

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IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to radio monitoring, 1 submarine escort and 9 submarines were located up to the morning of 6 Jul. The usual patrol activity was noted in the Bay of Kronstadt and in the waters around the islands of Lavansaari and Seiskari. Eighty one planes were observed during the night of 4 Jul. and 93 during the night of 5 Jul., all flying between the Kronstadt area and Lavansaari.

According to a Finnish report, a few additional submarines have presumably been lost at the southern end of the Rukarjaerwin "Jota" mine field. This would bring the number of established submarine sinkings to a total of 6 (4 in the "Seeigel" mine field, 1 by the Finnish air force, and 1 by mine sweeper "16").

According to reports from our agent, the Russian submarines in the Baltic Sea are said to be under the command of British officers. (Similar unsupported claims were current in 1941 and had already been heard during the First World War.)

2. Own Situation:

Three mines have been cleared by a mine-detonating vessel off Helsingoer at the Baltic Sea entrances. Otherwise no noteworthy occurrences in that area. Transports are proceeding according to plan.

According to the daily situation report of the Commanding Admiral, Baltic Countries, mine field "Nashorn" X has not yet been laid. Submarine chase off Memel was continued. Bad weather interfered with mine sweeping.

V. Merchant Shipping

Reports concerning shipment of ore from Lulea from 27 May to 13 Jun.; increase of British war risk insurance rates; number of ships lying in Gibraltar as well as traffic in the harbor during the month of June; decrease in the number of ships anchored in Alexandria at the beginning of July, etc. are contained in Brief Report No. 20/42 of the Naval Intelligence Division, Foreign Merchant Marine Branch.

VI. Submarine Warfare

1. Enemy Situation:

Nothing to report.

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2. Own Situation:

For a report on operation against convoy PQ 17, see Own Situation, Arctic Ocean. For details on the submarine situation see Supplement on Submarine Situation in War Diary, Part B, Vol. IV.

No reports of successful operations were received today from the North Atlantic and from the American coast.

Submarine U "375" in the Mediterranean attacked a convoy off the coast of Palestine and sent 2 torpedoes into a 1,500 GRT steamer. The sinking of this ship could not be observed since the submarine was pursued with depth charges.

VII. Aerial Warfare

1. British Isles and Vicinity:

During the night of 5 Jul., 8 planes scattered aerial mines in Pembroke. For reconnaissance findings see Situation West Area. On the night of 6 Jul. only 2 enemy planes flew over the coastal area from Borkum to Heligoland on what appeared to be a mining mission. Thirty-four flying missions were reported from western France, the objective being presumably to mine the Gironde estuary.

2. Mediterranean Theater:

In the night of 5 Jul. a heavy raid was staged on La Venezia airfield on Malta. A nuisance raid on the radar installations effectively hampered enemy night fighters. Raids continued during the day on the Lucca airfield. Photographic reconnaissance disclosed 17 enemy planes destroyed on the ground since 4 Jul.

Twelve thousand enemy motorized vehicles were observed in the Alexandria area. The mining of the Suez Canal was continued during the night of 5 Jul. Aerial torpedoes LT 350 were employed on this occasion for the first time. Their effect could not be observed owing to strong enemy defense.

3. Eastern Front:

Heavy support was lent to army operations.

For operation against convoy PQ 17 see Situation Arctic Ocean.

4. Special Items:

a. Mosquito planes were observed during the Flensburg raid on 2 Jul. Since these planes are built chiefly of wood they are not so easily detected by radar. Nowhere else, except over Cologne, has this type of plane been spotted before. For further details see daily situation report.

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b. In accordance with the request of Group South, the Naval Staff will support the request to be made by the Bulgarian Armed Forces to the Commander in Chief, Air that they be given planes for escorting missions between the Bosphorus and Bulgaria.

VIII. Warfare in the Mediterranean and in the Black Sea

1. Enemy Situation:

Mediterranean:

No noteworthy reports received as yet from the Western and Central Mediterranean.

Brisk convoy traffic was observed off the Syrian coast. Cruiser and destroyer escorts as well as PT boat movements were sighted in this area of the Mediterranean.

On the whole there has been no change in the number of ships at anchor in the port of Alexandria and in the port and roadstead of Suez and Tripoli.

2. Own Situation:

Mediterranean:

For a report on the successes scored by submarine U "375" against a convoy off the coast of Palestine see Submarine Warfare. 11 Italian submarines were at sea.

For brief report of the 3rd PT Boat Flotilla operations off Alexandria during the night of 4 Jul. see Telegram 0445. The Flotilla sighted nothing where the depth ranges from 20 to 40 meters aside from 3 patrol vessels off the entrances to the harbors. The fact that despite patrol activity no leading lights could be seen leads to the conclusion that there are no mine fields at the harbor entrances.

According to a report of the German Naval Command, Italy, 2 PT boats will be stationed in Augusta ready for action beginning 8 Jul. but cannot be sent on operations because neither has a commanding officer. The Commander of PT Boats will dispatch one officer on 10 Jul. There is no way of furnishing another one unless he is withdrawn from the flotillas operating in the West Area. (See Telegram 2150.)

This is poignant evidence of the shortage of officer personnel, which is being felt keenly in nearly all branches of the Navy.

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3. Transport of Supplies to North Africa:

The steamer WACHTFELS arrived in Messina and is due to continue from there to North Africa, through Crete. The steamer ENRICHETTA is en route to North Africa, accompanied by a magnetic mine sweeper. At 1700 on 5 Jul. the **Siena** convoy consisting of 7 steamers arrived in Candia and is scheduled to proceed to North Africa on 7 Jul. in the morning. (Transport of reinforced infantry regiment to Tobruk.)

Coastal supply shipping: From Tripoli to Benghazi, steamers STURLA, ISEO and the tanker ENIA; on 4 Jul. the ANKARA, BIXIO, MONVISO entered Benghazi, followed by the OSTIA on 5 Jul.; the PONTINISA was en route from Tobruk to Marsa Matruh, the MARIA CAMALI and the ARSIA from Marsa Matruh to Tobruk. Discharged at Marsa Matruh, 130 tons; at Tobruk, 309 tons.

4. Area Naval Group South:

Aegean Sea:

Auxiliary cruiser LERO is to be transferred from India to Tobruk under escort of 8 PT boats and 1 torpedo boat. Three torpedo boats are being transferred to Candia to reinforce the Siena Squadron proceeding to Tobruk.

Black Sea:

Enemy Situation:

Nothing to report.

Own Situation:

Intense enemy activity and raids on Yalta and the Kerch area on 5 Jul. The meteorological station at Kerch was damaged.

In the morning of 6 Jul. there was submarine alarm 8 miles east of Odessa.

The 1st PT Boat Flotilla was out on operations during the night of 5 Jul. No reports have as yet come in.

Mine-sweeping, convoy and transport operations are proceeding according to plan and without noteworthy incidents.

The Mining and Barrage Inspectorate reports in regard to a request of Group South (see War Diary, 5 Jul.) that a suitable mine-sweeping unit is being dispatched by air but that a specialist from the Mine-Laying Experimental Command cannot be assigned.

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IX. Situation East Asia

According to press reports, the Japanese army is said to be engaged in a battle with Chinese troops in Inner Mongolia. There are no official reports available on this situation. Repeated raids were made on Kiska and Attu by U.S. Army planes at the end of June.

X. Army Situation:

1. Russian Front:

Southern Army Group:

In the area north of Kerch, an enemy attempt to break through was repelled by small forces.

The 6th Army continued to advance eastward. The railroad line was reached north of Valuiki.

The enemy evacuated Voronezh, and the occupation of the city has begun. The strong enemy units which had been brought up from the north to be thrown against the northern flank of the 4th Panzer Army, were repulsed, suffering considerable tank losses. Enemy pressure is continuing south of Livny.

Central Army Group:

Lively battles are in progress south of Velizh. Heavy enemy air raids on our positions and rear areas are reported. West of Sukhinichi the enemy was able to score some successes. Counter-attacks have thus far failed to produce results. The boundary south of Mostovaya was reinforced by advancing divisions. Considerable ground was gained by our troops west of Sychevka, on the western front.

Northern Army Group:

Nothing to report.

2. Finnish and Norwegian Front:

No noteworthy engagements.

3. North Africa:

The enemy carried out a number of assaults with tank support against our defense positions south of El Alamein and withdrew eastward in the evening. Our defense front was reinforced by the laying of numerous mines. Enemy air activity was greatly intensified, particularly during the night.

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The reinforcements which have been brought up along extended supply routes have hardly had an effect at the front thus far.

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Items of Political Importance

Great Britain:

According to a report originating in diplomatic quarters, the crews of British vessels are said to be reporting that the food situation is gradually becoming aggravated as a result of numerous sinkings. A certain amount of dissatisfaction has become rife in the central industrial areas of Britain. Centers of Communist unrest have sprung up in London and Liverpool. All seamen have been strictly forbidden to talk abroad about the food problem and public morale.

Egypt:

The government is very much concerned that the British will resort to the destruction of important facilities, particularly the Suez Canal itself, should the war situation grow worse.

Rumania:

According to press reports, the Rumanian cabinet has further stiffened its attitude. The general trend is towards national conservatism and the Orthodox Church is steadily gaining in influence. The influence of the Iron Guard seems to have vanished completely. It is apparent that the proclamation of the new constitution has definitely been postponed until the end of the war.

Switzerland:

The German Consul General in Geneva reports on reliable authority that authoritative British political figures have unanimously declared that it will be impossible to open a second front in the foreseeable future. The only means of relieving the pressure on Russia would be to bomb German cities and centers of arms production. Threats of a second front which have been deliberately disseminated, have already had the desired effect and will continue to be effective even if no invasion is attempted. It has been learned in Switzerland, from Egyptian sources, that Britain has been expecting the loss of Egypt for the past week or so.

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Conference on the Situation with the Chief, Naval Staff

I. The Fuehrer indorsed the list of priority ratings for new construction, repairs, etc. which had been submitted to him by the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters. Copy as per 1/Skl 16585/42 Gkdos. in War Diary, Part B, Vol. V.

II. Acting on the report of the Chief, Naval Construction Division concerning the delay in finishing repairs on the PRINZ EUGEN (see War Diary 4 Jul.) the Commander in Chief, Navy orders that his permanent representative at the Fuehrer Headquarters report to the Fuehrer the failure to provide shipyard workers.

A further report by the Chief, Naval Construction Division on armor protection for PT boats. He pointed out that while this would not affect stability, it would cut down the speed 2 knots per hour. The Naval Staff maintains that this could not be permitted.

III. A report of the Chief, Naval Ordnance Division concerning his conference with Minister Speer: The supply transport situation is showing a slight improvement, the number of cars made available daily having risen from 130,000 to 160,000. He also reports, among other things, on his conferences with the Reichsmarschall:

1. Concerning the reorganization of research, cooperation of the different branches of the Army, and discharge from the Army of 1,000 university and college teachers.

2. Concerning scarce metals: An appeal to all consumers of copper and light metals.

IV. The Commander in Chief, Navy agrees with the proposal of the Chief, Submarine Division, Naval Staff to scrap the captured British submarine SEAL. The submarine would provide scarce metals for five VII C boats.

V. In a very restricted circle

A discussion on the advisability of sending the ADMIRAL SCHEER and destroyers to attack the remaining 7 steamers of convoy PQ 17 leads to the conclusion that such an action is no longer worthwhile since it is expected that the submarines and planes will report further successes.

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The Naval Staff believes that it would not be advisable to follow the suggestion of the Chief, Naval Staff Quartermaster Division, i.e. to report to the Fuehrer the reasons for halting operation "Roesselsprung", particularly stressing the remark made by General Bodenschatz that the Commander in Chief, Air failed to understand these reasons. They will be dealt with in the final report of the Naval Staff.

VI. The report of the Chief of Operations Branch, Naval Staff Operations Division on the report of the German General at the Italian Armed Forces Headquarters, submitted to the Armed Forces High Command on 6 Jul., is as follows: The combat strength of German and Italian divisions has dropped to 1,200 men or less, also to 40 German and 60 Italian tanks. The British Air Force has numerical superiority, particularly in fighter planes. Measures for replacements: 2,250 men were flown to Tobruk up to 5 Jul. The transfer of a reinforced infantry regiment from Crete to Marsa Matruh at the rate of 1,000 men per day started on 6 Jul. The Italians are bringing up 7 battalions; 4 artillery battalions; tanks; armored scout cars and guns on a PT boat flotilla for the Vriete, Trento, Pavia, and Brescia Divisions. Personnel replacements will be flown from Italy. Tanks will be delivered by naval barges.

Owing to a shortage of trucks the Air Force is hindered in bringing up supplies and personnel. Cavallero and the German General at the Italian Armed Forces Headquarters are flying back to Rome on 6 Jul. with the aim of stepping up North African transports. The Duce appears to have no intention of returning to Italy for the time being.

Special Items:

I. The Fuehrer Directive of 30 Jun., delivering sharpest warning in regard to rules of secrecy and handling of material which should be safeguarded under lock and key, was inspired by the latest case wherein operational orders have fallen into enemy hands because instructions were disregarded.

Copy of corresponding order of the Commander in Chief, Navy as per Ama/M Wehr 9390/42 geh. is in War Diary, Part B, Vol. V.

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II. Observations of the Naval Staff concerning the commitment of heavy surface forces in the Norwegian theater:

The attempt which has been made twice to dispatch the heavy ships against the Murmansk-Archangel shipping route met with no success. Every attempt to bring heavy surface forces into action is rendered difficult by the Fuehrer's insistence that losses or set-backs must be avoided at all cost. Consequently, it will be possible to undertake such operations only in those instances where, as far as human judgment can predict, no serious risk is involved, particularly from enemy carriers. To a certain extent this condition was present during operation "Roesselsprung". It is not known ever to have occurred before in connection with PQ convoys and will probably never do so again. Thus it can hardly be expected that our heavy ships will ever undertake a mission against PQ convoys. However, since the commitment of heavy ships is a matter of fundamental strategy, new tasks will have to be found for them outside of the eventuality of an expected enemy invasion. Such tasks are open to them in operations against Russian shipping along the north Siberian route, in the eastern portion of the Barents Sea and against the QP convoys. The Naval Staff has already ordered Group North to make preparations for the first of the above-mentioned tasks.

Hitherto operations against QP convoys were neglected in favor of the more valuable PQ convoys. To pursue such operations in the proper manner it is necessary to detect the convoy early enough so that our naval forces may be brought into action, if at all possible, east of 30° to 35°E. The fighting forces must be poised at some base in the Arctic area and security measures are to be most stringently observed. A report of the corresponding observations by the Naval Staff, Fleet Operations Section as per 1/Skl I op 1294/42 Gkdos. Chfs. is in War Diary, Part C, Vol. IIA.

Similar motives are behind the proposal of Group North that the Kanin Passage should be patrolled so that the planes and submarines might be able to spot the convoy promptly. This is necessary in view of the plan to attack the QP convoy with the surface naval forces.

III. Concerning French Naval Forces in Alexandria

On 3 Jul. the German Armistice Commission, France reported that the French **naval forces** intend to depart from Alexandria as soon as the British have abandoned the port; and that they will

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head for the coast of Tunisia, unless the barnacles on the hulls necessitate pausing at an intermediate harbor on Crete where the ships would be able to refuel.

In accord with the requested opinions of Naval Group South and the German Naval Command, Italy on 4 Jul., the Naval Staff reported to the Operations Staff, Armed Forces High Command, that there is no fundamental objection to permitting the French **naval forces** to enter a Mediterranean port which is under German control, and that refueling is likewise permissible. The port of Piraeus is proposed as port of entry, if necessary. It does not appear desirable to use Suda Bay for the purpose since it is being used for the shipment of supplies to Rommel.

In accordance with the proposal of the Naval Staff, the Chief of Staff, Armed Forces High Command decided that, in case of necessity, the ships may enter Piraeus. In accordance with the French request, the Italians are to fix the safest route by agreement with the Admiral, Aegean Sea. The ships may likewise be allowed to take on fuel in Piraeus.

IV. In a conference held at Friedrichshafen in the middle of June between the German and Italian Armistice Commissions, France, it was obvious that Italy has stiffened her attitude towards France. For the part of the report of the Armistice Commission, France which deals with these conferences see War Diary, Part C, Vol. XVI.

V. According to a report of the Armed Forces High Command, Operations Staff, the Fuehrer and the Duce have discussed the basis of cooperation of the Italian Army in the event that the occupation of the rest of France (operation "Anton") should become necessary. The Armed Forces High Command transmits its plans for the handling of the operation, which will depend for its details on the situation prevailing at the time of its execution. About ten days notice will be required. Tank units will advance on Toulouse and Lyon, and infantry and motorized forces will cross the line of demarcation along its entire length; warehouses, traffic junctions, and economic centers will be occupied in swift order, and the occupation will be completed soon after. The German General in Rome is to propose to the Italian High Command a demarcation line between German and Italian troops, running through Geneva, Lyon, and Toulouse. The Commander in Chief, Air Force is to present his requests directly to the Italian Air Forces High Command with regard to preparations by forces of the Commanding General, Armed Forces, South.

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The Commander in Chief, Navy is to make the necessary arrangements with the Italian Navy High Command, in agreement with the German General in Rome, with regard to allocating operational bases so that the German naval forces can operate together under German tactical command.

The corresponding directive of the Naval Staff has been issued to the German Admiral in Rome on 6 Jul. with a copy to the German General at the Italian Armed Forces Headquarters.

Situation 7 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to an intelligence report from Spain rumors are increasing that troop transports have been sighted in the waters around the Canary Islands and the Azores, where they seem to be waiting. Continued investigations by the Intelligence Division have yielded no results up to the present.

South Atlantic:

The U.S. Embassy in Buenos Aires reported that it has no information with regard to the presence of German auxiliary cruisers in the South Atlantic. Thus the rumors are denied, according to which an auxiliary cruiser attacked the U.S. freighter DEACON, and an engagement was fought on 1 Jul. with an auxiliary cruiser off the southwestern coast of Africa.

Indian Ocean:

According to a report from Lourenco Marquez, 4 ships have been sunk off that port in the last few days while 5 were sent to the bottom between Mozambique and Lurio. Altogether 6 ships are said to have been sunk off Durban.

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2. Own Situation:

Radiogram 1046 contains sailing order to the CHARLOTTE SCHLIEMANN to proceed to a rendezvous with ship "23".

Radiogram 1900 contains a directive to all vessels in foreign waters concerning authorization of submarine attack against ships sailing independently on the "Anton" route north of 5° S.

A check of distress signals recently picked up in the Atlantic produced the following data:

- a. The steamer "W.H.P.V." sunk by ship "28". The steamer's name was probably GEORGE CLYMER.
- b. Ship "23" sank the GEMSTONE.
- c. At the equator an Italian submarine sank the ALIOTH.
- d. Ship "28" probably sank the ALCOA POLARIS.

This information was transmitted to ships "23" and "28" by Radiogram 0707.

Radiogram 2025 informs ship "10" that according to the report of the Naval Attache at Tokyo the NANKIN left Batavia on 4 Jul. while the HERBORG departed on 5 Jul., and that only the Christmas Islands and not the Keeling Islands have been occupied by the Japanese.

Radiogram 1715 contains directive to the three prizes of ship "10" with regard to assignment of call signals in radio communication. Information to that effect was transmitted to the Attache at Tokyo by Telegram 2137.

The Japanese General Staff communicated through the Japanese Military Attache that it takes the same position as the German Navy on the question of prisoners. On the basis of an unofficial notice the General Staff made arrangements to take these prisoners into custody and states that this was not done before because no official instructions had been received from Germany.

Consequently the Naval Staff informed the Japanese Naval Attache as follows:

- a. The notification regarding prisoners by the Naval Attache,

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Tokyo and the assent of the Japanese Navy constituted an official step.

b. The discussion on the question of prisoners of war between the Chief of the Operations Section and the Japanese Attache and between Admiral Groos and Admiral Nomura, as well as the instructions forwarded by the Foreign Office to the Ambassador at Tokyo, likewise constituted official steps; the Naval Staff assumes that henceforth all incoming prisoners will be taken into custody in Japan.

The Naval Staff regards this distinction between official and unofficial steps in the nature of an evasion of an apology, upon which the Naval Staff places no value.

The Naval Attache, Tokyo is informed to that effect via Telegrams 2340, 2300, and 2310 and is instructed to report on how things stand there and what position is taken.

Radiogram 1831 transmits information to all vessels in foreign waters concerning U.S. imperialism aimed at Latin America and the firm stand taken by the governments of Argentina and Chile against economic and political pressure exerted by the U.S.

Enemy Situation communicated by Radiogram 0219.

II. Situation West Area

1. Enemy Situation:

There is an increase in reports concerning invasion preparations by the British. Portuguese Intelligence makes known the report of a Portuguese seaman who was at Portsmouth on 13 Jun. From this report it appears that extensive preparations are under way on the south coast of England for a landing operation on the French Channel coast. Stocks of materiel are piled up, mainly at Dover, New Romney, Dungeness, Hastings, Boxhill, Eastbourne, Seaford, and Portsmouth. This materiel is stored in huge camouflaged barracks. The British expect to be aided by the French civilian population which has set up large organizations to support the invasion. The

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main invasion is to take place on the northern coast of France, with diversionary attacks at other points. Arms and explosives are being supplied to the French population chiefly from the Isle of Wight to Avranches and small coastal communities in the Bay of St. Brieux by means of fishing boats and auxiliary sailing vessels.

According to an Italian report, British invasion preparations are being conducted by Communist groups in northern Portugal. The invasion of Portugal is to be preceded by invasions of France, Holland, and Belgium.

2. Own Situation:

Atlantic Coast:

On the night of 6 Jul. an enemy raid was staged on Lorient and Ile de Croix. No damage was reported. Two planes were shot down by naval anti-aircraft guns. On 7 Jul., 5 ground mines were swept off the Gironde. Owing to suspected mine danger, the Loire and the Gironde were temporarily closed to traffic.

Channel Coast:

The 4th PT Boat Flotilla was sent into action on the night of 6 Jul. but did not contact the enemy.

On the night of 5 Jul. units of the 12th Motor Mine Sweeper Flotilla engaged 2 enemy PT boats northwest of Blanc Nez. Neither side scored. A harbor defense vessel which had strayed from the convoy was shelled by enemy PT boats northwest of Boulogne and suffered slight losses. A tug convoy proceeding from Dieppe to Boulogne was unsuccessfully attacked by a number of Spitfires twice in the same night.

In the afternoon, enemy planes sank the fishing patrol vessel HUEST 1 between Le Treport and Mesnel Val.

On the night of 7 Jul. the 2nd PT Boat Flotilla was prepared for torpedo missions against any unscheduled convoy which might be sighted by reconnaissance.

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III. North Sea, Norway, Arctic Ocean

1. North Sea:

The mining operation "Thusnelda" was accomplished according to plan. Two ground mines were swept north of Schiermonnikoog. Convoy missions are proceeding according to plan. Owing to unfavorable weather conditions, the sweeping of routes had to be interrupted in some cases. On the night of 6 Jul. the enemy flew over the German Bight. It is suspected that aerial mines were dropped in the area north of Borkum.

Special Items:

While en route from South America to Sweden, the Swedish ships UDDEHOLM and ARGENTINA sailing in the Goeteborg traffic struck a number of mines and sank at 57° 39.5' N, 07° 16.5' E (southwest of Kristiansand). According to the Sea Defense Command Kristiansand South, the ships were following the routes fixed by the Swedish Government. The captains had been advised of the German declared area by the communications service. This notwithstanding, the Swedish Government did not issue any other orders to alter the course.

It remains to be ascertained whether the mine field in question was ours or whether it was laid by the enemy.

2. Norway:

716 ships with an aggregate of 1,821,684 GRT were escorted in the area of the Commanding Admiral, Norway during Jun. 1942. Five enemy air raids were staged against these ships but no losses were sustained. There were 19 enemy air raids against Norwegian harbors. Five mines were swept.

On 5 and 6 Jul., enemy planes raided Vardoe but failed to inflict any damage. Otherwise nothing to report.

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3. Arctic Ocean:

Enemy Situation:

According to an intelligence report from Sweden, the British Legation at Stockholm received by radiogram from northern Norway information concerning the movements of German naval and air forces operating against convoys. British Intelligence is being supplied with information by an intelligence officer in Stockholm.

According to another report of the Intelligence Service from Sweden, British and American convoys heading for Russia meet at Iceland and continue their voyage together. In the future, U.S. escorts are to go only as far as Iceland. Here the convoys are to be taken over by British or Russian escorts coming from the opposite direction. According to another intelligence report, the major portion of the convoy was ordered back on sighting German submarines, while the remaining section was ordered to take a different route. According to radio monitoring, a British ship was sighted about 180 miles northwest of the Faroe Islands. At 0652 a message from about 220 miles northeast of Murmansk was intercepted, concerning an air raid on a section of convoy PQ 17. Other air raids were reported in the course of the day. According to radio decoding on 5 Jul., 2 British squadrons received orders at 2045 to search for a damaged battleship in the Arctic Ocean. At 0145 on 6 Jul., a third squadron received an order to carry out swift reconnaissance in the area where, as we believe, a heavy U.S. cruiser was sunk.

At 1045 a message from a British plane was intercepted, according to which our Fleet force was sighted after weighing anchor at Armoë. British headquarters did not interpret intercepted messages correctly with regard to location of our vessels. It could not be ascertained what effect these messages produced.

Own Situation:

The 5 submarines which are in the zone of operations succeeded in sinking 3 additional vessels of the convoy during the day. If another sinking by submarine U "255" on the evening of 6 Jul., still unreported, is added, we get a total of 13 steamers sunk by submarines with an aggregate tonnage of about 94,000 GRT. Particulars in Supplement to Submarine Situation. The submarines received an order to attack unescorted steamers as they are reported

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and to proceed thereafter to an assigned position at the entrance to the White Sea. Submarine U "88" was forced to discontinue her mission because of lack of fuel. Submarine U "657" reported firing a quadruple spread against a large Russian submarine in quadrant AC 5725, but missed the target.

No reports have as yet been received on results of combat missions carried out by the Air Force.

In the forenoon, the Fleet force continued on to Narvik. A shadowing enemy plane was sighted at noon.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to radio monitoring, 9 Russian submarines were sighted at sea. At 1737 on 6 Jul., and at 0212 on 7 Jul., a submarine proceeding at high speed on a westerly course was sighted 30 miles north of Hela. She submerged after being shelled.

2. Own Situation:

For Group North's order transferring the cruiser KOELN to Trondheim see Telegram 1742.

On 4 Jul. a motor-driven fishing cutter sank off Ueckeritz when a mine exploded.

North-northwest of Helsingoer a patrol vessel and a mine-exploding vessel were damaged by a ground mine.

According to a Swedish report on 6 Jul. a convoy was unsuccessfully attacked by a submarine in Swedish territorial waters between Landsort and Haevringe. Swedish submarine chasers pursued the submarine. The Swedish Fleet Commander received an order on 7 Jul. to attack all submerged submarines encountered between the Aalands Haf and Falsterbo, if they are in a position to attack, regardless of whether such submarines are within or outside territorial waters. Swedish planes and naval forces are carrying out continuous reconnaissance by day and night in the waters between Landsort, the

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northern tip of Oeland, and Gothland.

Mine field "Nashorn X" was laid in the Gulf of Finland. Near Hogland mine sweeper "19" engaged an enemy submarine with probable success. The transport steamers which were delayed owing to suspected submarine danger are being escorted from Danzig and Memel to Utoe by 7 patrol vessels.

V. Merchant Shipping:

1. According to computations made by the Naval Staff, Intelligence Division, the verified tonnage loss sustained in June 1942 by enemy merchant shipping and merchant shipping assisting the enemy was 213 ships, totalling 952,164 GRT. Of this, German submarines sunk 131 ships in the Atlantic and the Mediterranean, representing a total of 649,730 GRT.

2. According to a report of the chairman of the U.S. Maritime Commission, 66 ships representing 732,000 GRT were completed in U.S. shipyards in June 1942. A total of 208 ships were built from Jan. 1942 till the end of June, totalling 2,346,000 GRT.

VI. Submarine Warfare

1. Enemy Situation:

There are no reports available other than the usual one telling of submarines sighted off the American coast and in the West Indies area.

2. Own Situation:

For the operation against convoy PQ 17 see Own Situation, Arctic Ocean and Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

Of the submarines operating off the American coast U "158" (Lieutenant s.g. Rostin) must be given up for lost.

Submarine U "129" reported sinking the steamer CADMUS (1,835 GRT) in the Gulf of Mexico on 1 Jul., sinking the steamer GUNDERSEN (1,841 GRT) on 2 Jul., and sinking the steamer TUAPSE on 4 Jul.

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In the South Atlantic, 5 submarines of group "Hai" are to have occupied reconnaissance line from quadrant CF 7255 to quadrant CF 8245 by 10 Jul., then to proceed on a 185° course at a rate of 150 miles per day. Submarine U "116", serving as a tanker, is to extend her reconnaissance line to the west.

No reports of successes have been received from the Mediterranean.

VII. Aerial Warfare

1. British Isles and Vicinity:

In the Solent, 4 Focke Wulf 190's sank a 10,000 GRT steamer and damaged another steamer of the same class, as well as a motor mine sweeper.

On the night of 7 Jul., 53 of our planes attacked Middlesbrough. 8 planes again mined Pembroke.

During the same night, enemy planes carried out ten missions over the coast of the German Bight, with the apparent objective of planting mines.

2. Mediterranean Theater:

The Commanding General, Armed Forces, South sent planes to attack airfields on Malta.

The forces of the Air Commander, Africa gave support to Rommel's Panzer Army.

On the night of 5 Jul., planes continued to mine the harbor of Suez with aerial mines.

3. Eastern Front:

Our operations on 6 Jul. centered in the Voronezh and Yelets areas.

Three patrol vessels were damaged on 6 Jul. in the Gulf of Finland.

On 7 Jul., the 5th Air Force staged raids on dock installations at Rosta, the air field and quay installations of Murmansk, and over

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Kola Bay. The effects were observed. A large patrol vessel was sunk 60 miles north of the Kanin Peninsula.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

No noteworthy reports have been received on ship **movements** and vessels in the harbors.

According to radio decoding, at 1150 the French Admiralty radioed the following message to the French Admiral in Alexandria:

"The report that the French Government has informed the U.S. Government of the guarantees mentioned in paragraph 1 of my Telegram 6490 is authentic. The U.S. Government has been advised by the French Government of the general tenor of the instructions transmitted to you. Under the circumstances nothing should prevent "Force X" from eventually proceeding to a French port. The U.S. Government replied that "Force X" must follow the British in the direction of the Red Sea in the event of their retreat under pain of annihilation. I cannot countenance this position and my instructions remain unaltered."

2. Own Situation:

On the night of 5 Jul., the enemy staged an air raid on Tobruk. During the enemy attack on Benghazi on 6 Jul., the wreck of the steamer TINOS was blown to pieces by a direct hit. A boat of the 3rd PT Boat Flotilla was put out of action by bomb fragments during an enemy raid on Marsa Matruh on the night of 5 Jul.

3. Transport of Supplies to North Africa:

The steamer PONTINIA arrived in Marsa Matruh, unloaded and left for Tobruk in the evening. Three naval barges and the SAN MARCO II arrived in Tobruk. The steamer TRAPANI, carrying 2,000 prisoners, left Tobruk bound for Benghazi. The STURLA, ISEO, and BROOK are en route from Benghazi to Tobruk, and the ARSIA is proceeding from Marsa Matruh to Derna.

Cargo unloaded during the day at Marsa Matruh: 405 tons; at Tobruk: 80 tons.

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The next convoy from Italy to North Africa is to consist of motor ships APUNIA, LERICI, UNIONE, and RAVELLO.

The Siena convoy bound for Tobruk will leave Suda at midnight on 9 Jul. It is expected to reach port on 10 Jul. at 0800.

In view of the entirely inadequate supply shipments from Italy to North Africa, the Admiral, German Naval Command, Italy sent the following telegram to Admirals Riccardi and Sansonetti on 4 Jul.:

"I repeat once more that with the meager means at my disposal I am no longer in a position to get my supplies from Benghazi to Marsa Matruh. The Italian Navy must take over supply and escort duty as far as Tobruk. Otherwise the sea-borne supplies will not be delivered. No matter how great the amount of supplies unloaded at Benghazi, they will not benefit the front. I again recommend direct routing of supplies to Tobruk. The danger is no greater than on the Benghazi route. It is imperative to take the greater risk involved in getting into the harbor of Tobruk. German Naval forces have been using the port daily since it was occupied. Even if losses are to be sustained, it is preferable to unload at Tobruk rather than to do all the unloading at Benghazi where the supplies remain untouched. We are at a decisive hour in history where we are confronted with a historic responsibility, and the highest military objective in the Mediterranean is at stake. No sacrifice is too great. I most urgently beg the Italian Navy not to disregard these suggestions."

The Commander in Chief, Navy had intended to send a similar telegram to Admiral Riccardi; it was not dispatched, however, since the Admiral German Naval Command, Italy reported on 7 Jul. that he had arrived at an agreement with the Italian Admiral, Libya on 6 Jul. whereby the arrival of heavy ships at Tobruk may be expected henceforth. (See Telegram 0955.)

4. Area Naval Group South:

Aegean Sea:

The "CG 3" transferred from Piraeus to Suda on 6 Jul. and is available for escort missions to North Africa.

Black Sea:

Enemy Situation:

Radio monitoring disclosed only slight fleet activity.

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On the morning of 5 Jul., 3 PT boats approached Taganrog and turned off to the south on being shelled from land.

Own Situation:

The 1st PT Boat Flotilla was on active duty on the night of 5 Jul., but failed to contact the enemy. The flotilla is being transferred to Constanta. Three Italian submarine chasers and a motor boat pursued an enemy motor boat on the evening of 6 Jul., and captured the crew of 12 men.

Motor mine sweeper "165" proceeding from the Danube, reached Sulina on 7 Jul. Thus there are now 4 boats of the 3rd Motor Mine Sweeper Flotilla in the Black Sea.

Escort duty carried out according to plan.

It is expected that the grounded steamer ARDEAL will be ready for towing within 3 weeks once the deck has been made watertight. An attempt is being made to salvage the steamer SULINA.

Special Items:

According to a report received from Group South, press reports reveal that the British Government requested the Turkish Government to permit Russian naval forces to pass through the Dardanelles.

Naval Group South is requesting pertinent information so that it may adopt prompt countermeasures. Group South recommends that the Mediterranean submarines be held in readiness in the Aegean Sea off the entrance to the Dardanelles. (See Telegram 1940.)

IX. Situation East Asia

According to a U.S. Navy Department report, U.S. submarines sank 3 Japanese destroyers on 4 Jul. off the Aleutians. A fourth destroyer on transport escort duty, was likewise sunk in the same vicinity. There are no Japanese reports concerning the above.

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X. Army Situation:

1. Russian Front:

Southern Army Group:

The 6th Army operations are proceeding without interruption and according to plan. A battle is in progress in the outskirts of Voronezh. The enemy is continuing to attack with his tank forces on the northern front.

Central Army Group:

South of Byelev the enemy attacked with heavy tank forces but was repulsed. The enemy was able to make further slight gains in the area of Sukhinichi. Otherwise only local skirmishes.

Northern Army Group:

Nothing to report.

2. Finnish and Norwegian Front:

Nothing to report.

3. North Africa:

Enemy tank-supported attacks against our defense front were repulsed. On the southern flank the 5th Indian Division was thrown back to the southeast, with heavy losses. Our reconnaissance forces, in cooperation with strong air force units, prevented an encircling move by strong enemy forces on the southern flank.

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Items of Political Importance

Great Britain:

The House of Commons debated the question of command over the R.A.F. Churchill declared that a joint Army and R.A.F. training program is under way and is being further expanded. He stated that the whole series of problems pertaining to air-borne troops and to the employment of gliders and of paratroops is being studied as an overall problem with reference to combining these under a single organization.

Egypt:

British troops have taken over patrol duty at all important traffic junctions, including bridges and dams.

U.S.A.:

The "Journal of Commerce", an authoritative New York industrial publication, comments on the current labor situation in American shipyards. The authorities report that 6 to 14% of the manpower employed in these yards is lost due to absenteeism. "Time" magazine gives this new epidemic of passive resistance, along with the shortage of steel, as the main reason for the failure to fulfill the ship construction program.

Argentina:

The Foreign Minister conclusively declared that the RIO TERCERO incident is closed. Argentina does not insist on compensation for the vessel, since Germany has given an adequate explanation. Merchant vessels have been ordered to display better markings.

The President of Argentina signed a decree ordering all vessels to stay out of the belligerent zone.

South America:

More stringent measures have been adopted against Axis nationals in Costa Rica, Colombia, Peru, and Ecuador.

Japan:

The Anglo-American press increasingly pictures the reinforcement of Japanese bases in the Aleutians as a measure imperilling the shipping lane to Vladivostok.

Conference on the Situation with the Chief, Naval Staff

No conference scheduled for 8 and 9 Jul. on account of the conference

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of the staff officers with the Naval Staff.

Special Items:

I. The Minister of Armament and Munitions transmitted an extract from the transcript of the conference with the Fuehrer on 28 and 29 Jun., which contains the following decisions relating to the Navy:

1. The Navy is to furnish 10% of its 3 million **tons of merchant shipping** to the Reich Commissioner for Shipping, to be used in operation "Wiking".

2. Gauleiter Kaufmann has been empowered to take stock of the Navy's merchant shipping space for the purpose of deciding jointly with the Navy as to the amount of shipping space that could further be spared for the merchant marine.

3. The Fuehrer stresses the extraordinary importance of operation "Wiking", particularly with regard to railroad construction which is of vital significance for the conduct of the war.

5. The Fuehrer forbids the use of shipping space by the Navy for dwelling purposes and hospitals, except for bringing home the wounded.

20. The Fuehrer is in accord with the proposed plans for the "Hanse" program and takes cognizance of the fact that both the merchant ship repair and construction **programs** have been integrated into the armament program.

37. The Fuehrer raised no objections against program "377" (dealing with the production of munitions).

76. Permanent fortifications are to be built along the Atlantic coast only where they serve to defend the most vital points. In such cases, contrary to the stand taken hitherto, another belt of fortifications is to be erected.

77. Temporary fortifications may be erected along the less important stretches of the coast. However, the Channel coast is to be protected almost exclusively by permanent fortifications.

78. The Fuehrer issued a special order that all armor plate intended for naval and other ship construction, wherever stored, is to be used for fortifications.

II. Naval Group South transmits a renewed request from the Commander in Chief, Armed Forces, Southeast, asking the assignment of the Spanish steamers plying in the Aegean Sea to the transport of supplies to North Africa. The Sea Transportation Branch, Naval Staff Quarter-

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master Division, was obliged to refuse this request, since this would jeopardize the current German-Spanish negotiations for the construction and purchase of other Spanish ships. The High Command Navy is at present carrying on negotiations in Madrid, to expedite getting control of the ships already purchased in order to release more German, Italian and Greek shipping space for the shipment of supplies to Africa.

III. As the Naval Staff has learned by word of mouth from the Army General Staff, the Fuehrer ordered preparations for the crossing of the Strait of Kerch by 10 Aug. The Naval Staff informs the Armed Forces High Command, Operations Staff, and the Army High Command, General Staff, with copy to Naval Group, South, concerning the naval forces which the Navy will make available to assist in the operation, and their potential use, and proposes a suitable plan of organization.

Copy of corresponding Telegram 1/Skl I op 1290/42 Gkdos. Chfs. in War Diary, Part C, Vol. XIV a.

IV. a. The 5th PT Boat Flotilla is expected to be ready for assignment to duty by the end of July. The Naval Staff orders that it be made available for commitment in the Channel and shelves the original plan of employing it in Norway.

For corresponding directive to Naval Group West, Naval Group North, to the Fleet Command and to the Commander of PT boats see Telegram 1145.

b. In answer to a corresponding inquiry from the Naval Staff (see War Diary, 24 Jun.) Group North reports that, in view of the completely altered situation in the North Sea, it is planned to transfer the 22nd Mine Sweeper Flotilla to Norway only when it is fully ready for assignment; the 4th Mine Sweeper Flotilla must be withdrawn from Norway to undergo repairs in Germany. For more detailed reasons making it indispensable that the flotilla remain in the North Sea, see Telegram 1620.

The Naval Command gives its assent to the reported plan.

V. The Foreign Office transmits the text of two telegrams received from the German Embassy in Paris, concerning the French warships in Alexandria. The first of these telegrams contains the text of the French rejection of the American note of 3 Jul., while the second one repeats Laval's verbal declaration that the diplomatic phase is henceforth terminated and that the entire series of notes will be published as soon as the first shot is fired. Darlan fully supported the course adopted by Laval and expressed the hope that the supply situation will make possible the conquest of Egypt.

Copy of the Telegram as per 1/Skl 16610/42 Gkdos. in War Diary, Part C, Vol. XVI.

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VI. Information forwarded to the Naval Attache at Tokyo concerning the estimate of the situation which had been transmitted to Admiral Nomura during the conference at the end of June, as per l/Skl Ib 16239/42 Gkdos., in War Diary, Part C, Vol. XV.

Situation 8 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

According to radio monitoring, the WARSPITE, which had left Gibraltar on 24 Jun., was near convoy WS 20 in the area of Freetown on 6 Jul.

Indian Ocean:

According to an intelligence report received via Lourenco Marques, since 1 Jul. single ships leave Durban daily for the Red Sea with troops and material destined for Egypt. A total of 250,000 men is to be drawn from the Middle East and assembled in Egypt. On 2 Jul., an aircraft carrier was anchored for 12 hours in Durban. British submarines are operating out of Mombasa.

According to another intelligence report, confirmation has been received of the fact that the war supplies which were on the way to India have been diverted to Egypt while en route. At the same time reports were received from India to the effect that troops are being shifted from the east coast to embarkation ports on the west coast. The exposure of the east coast for a brief period is considered harmless, since the Japanese are not expected to launch an attack before the end of the monsoon period. For details see Telegram 1801.

According to a Swiss radio report from Mozambique, 1 Greek and 1 Swedish steamer were sunk south of the Angoche Islands.

2. Own Situation:

The Naval Attache at Tokyo transmits a detailed extract from the DOGGERBANK War Diary. Copy as per l/Skl 16901/42 Gkdos., in War Diary, Part C, Vol. I.

The skill and composure displayed by the Commander, Captain Schneidewind, during his encounter with the enemy cruiser and raider deserve very special commendation. The Naval Staff recommends that he be given the German Cross in gold.

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The evaluation of individual experiences will be taken up immediately.

Inquired of ship "23" by Radiogram 1032 whether it will be possible to have the CHARLOTTE SCHLIEMANN go through her extended waiting period until the end of August with subsequent run to Japan, without subjecting ship and crew to extreme strain.

Sailing orders to the prize ship MADRONO via Radiogram 2211. The ship must expect to call at Batavia.

The Naval Command estimates that the DOGGERBANK will reach point "Rose" on 26 Jul. Corresponding communication to DOGGERBANK by Radiogram 1241.

The REGENSBURG reached Yokohama on 7 Jul. Information to that effect sent to ship "10" and to all vessels in foreign waters by Radiogram 1945.

Special citation to the REGENSBURG from the Naval Staff, for the excellent manner in which she carried out supply missions. Message passed by Telegram 2300, via the Naval Attache at Tokyo.

Communication to the Naval Attache in Tokyo concerning the probable arrival of the MADRONO at point "1" of route "Gelb" on 9 Jul. and instructions that, if consent of Japanese Navy is secured, Batavia is to be considered the intermediate port of call en route to Japan. By Telegram 0010.

Report on the enemy situation and destruction of convoy PQ 17. By Radiograms 1510 and 2123.

II. Situation West Area

1. Enemy Situation:

According to air reconnaissance, 20 steamers headed northeast were located in the evening between Dungeness and Beachy Head.

Brisk ship traffic in the waters around the Island of Wight. In the forenoon, 20 steamers and 1 destroyer were sighted 240 miles west northwest of Brest, on a course **north-northwest**.

2. Own Situation:

Atlantic Coast:

Six ground mines were swept by mine-exploding vessels and a mine sweeper flotilla. The Loire was opened to shipping.

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Channel Coast:

On 7 Jul., army coast artillery fired, at a range of 1,800 m, on what appeared to be an enemy submarine sighted off the Somme estuary. Group West believes that this was a case of erroneous observation.

At 0255 on 8 Jul., in retaliation for the shelling of our convoy off Gris Nez, the "Todt" and the "Grosser Kurfuerst" batteries and the long-range "Guenther" battery shelled a British coastal battery near Margit Cliff. The enemy ceased firing as soon as we opened fire. On the night of 8 Jul. eight boats of the 2nd PT Boat Flotilla were sent on a torpedoing mission and 2 boats laid mines while being transferred from Boulogne to Cherbourg.

III. North Sea, Norway, Arctic Ocean

North Sea:

1. Enemy Situation:

In the evening, air reconnaissance sighted 44 southbound steamers off Peterhead; 15 steamers were sighted entering The Wash.

2. Own Situation:

On the night of 7 Jul., seven enemy planes unsuccessfully attacked mine-exploding vessel "11" north of Schiermonnikoog.

A ground mine was swept north of Schiermonnikoog. In the afternoon, 9 Spitfires approached Ostkapelle on Walcheren. A heavy raid was staged in the evening in the northwestern coastal area, centering on Wilhelmshaven.

Group North requests that a very vigorous protest be lodged with the Swedish Government against careless routing of Swedish ships operating under license, citing the loss of steamers ARGENTINA and UDDEHOLM, and pointing out that the location of mine fields is thereby betrayed, and also that they are weakened by detonations. It should also be pointed out that there is suspicion of a possible connection between the deliberately wrong course and the attempt of the Norwegian ships to break out of Goeteborg in order to cross the mined area. Group North holds that while there is justification for the assumption that both ships struck German mines, it is necessary to investigate whether these were not enemy mines, since on 5 Jul. the 5th Air Force reported a submarine submerging in quadrant AN 3461. It was not our submarine. (See Telegram 1234.) Further information concerning representations made to Sweden in War Diary, Part C, Vol. VIII.

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On the recommendation of the Naval Staff, provision is being made for the two Swedish ships anchored in Kristiansand - South to sail on a westerly course out of Lindesnes up to the present Swedish route.

Norway:

On 7 Jul. an enemy air raid was carried out on a convoy in quadrant AC 8461. The Norwegian steamer ELSE MARIE was sunk with 2,760 tons of ore aboard. Two Russian planes attacked another convoy in quadrant AC 7455 and a third convoy was attacked on the morning of 8 Jul. in quadrant AC 7296. In both cases the enemy was unsuccessful. Enemy air activity on the afternoon of 7 Jul. in the area of Trondheim and Bodoë, as well as northwest of Bergen. Ship movements according to plan.

Arctic Ocean:

1. Enemy Situation:

At 0505, east of the Faroe Islands, air reconnaissance sighted a force consisting of an aircraft carrier, 1 battleship, 3 heavy cruisers and 8 destroyers, headed on a southerly mean course. At 1344 northwest of the Orkney Islands a force was sighted, likewise headed south, and consisting of 1 aircraft carrier, 1 battleship, 2 heavy cruisers and 6 destroyers. Two additional destroyers were located northeast of the latter force. There is no doubt that both reports refer to the same convoy despite the fact that there is a difference in the number of heavy cruisers reported.

2. Own Situation:

In view of an unfavorable turn in the weather and wide-spread fog on 7 Jul., the Admiral Arctic Ocean ordered operations against the remnants of convoy PQ 17 to cease at noon on 9 Jul. The submarines are to start back over the route of the convoy.

By way of a further success, submarine U "255" reported the sinking of another steamer of 6,069 GRT. All submarines report extensive fog at the entrance to the White Sea making it unlikely that any remaining steamers or damaged vessels would be encountered. The operation is, therefore, to be considered at an end.

The Naval Staff has received no further reports of successes scored by the Air Force.

Group North received the following telegram from General Dietl:
"Warmest congratulations on the great successes scored by the submarines against enemy convoy. The Commanding General, 20th Mountain Corps and all the troops thank you very much for the decisive help and relief which the Navy is bringing to the Army in the East and send comradely greetings to the brave submarine crews".

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The Fleet combat forces reached Narvik by 0300 as planned. The LUTZOW is due to be transferred to Trondheim on the morning of 9 Jul.

The Commanding Admiral, Fleet recommends that the reason for discontinuing operation "Roesselsprung" be made public as follows:

"Heavy enemy force, including aircraft carrier escorting the convoy, was forced to turn away when our heavy group was sent into action. This facilitated a submarine and aircraft attack on the convoy. The mission of our heavy ships in the attack was fully accomplished".

The Naval Staff doubts that such an explanation will be very convincing to outsiders, particularly to the air force and submarine arm.

See Telegram 2349 for directive of Group North to the Admiral, Arctic Ocean and to the Commanding Admiral, Fleet concerning operational subordination of all Fleet combat forces, including the Commanding Admiral, Cruisers, to the Commanding Admiral, Fleet, as long as the latter remains in Narvik.

Directive is in accord with the view of the Naval Staff.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to radio monitoring, 8 to 10 submarines were at sea. Brisk mine-sweeping and patrol activity in the Gulf of Finland. In the forenoon of 8 Jul., a number of radio messages concerning the occupation of the island of Someri were decoded. Our air reconnaissance disclosed that Russian PT boats have landed invasion troops on Someri Island.

According to a report from the Naval Attache at Stockholm, the Swedish Naval Staff has definitely ascertained that 2 Russian submarines were off the coast near Trelleborg at 0100 on 4 Jul. One of these two submarines is said to have been located a few hours later at the southern entrance to the Sound, off Falsterbo. On 8 Jul. Swedish air reconnaissance sighted 2 surfaced submarines between Landsort and the northern tip of Gothland.

2. Own Situation:

On the night of 7 Jul. there was a submarine alert east of Rixhoeft Cape. One of our submarines carried out a chase by means of hydrophone location. The German steamer O. CORLS was sunk in Swedish territorial waters by an enemy submarine. Troop and prisoner transports left Danzig for Finland on the evening of 7 Jul.

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According to a communication from the Commander, Mine Sweepers, Baltic Sea, a Russian landing attempt was staged on Someri Island on the night of 7 Jul. About a hundred Russians succeeded in gaining a foothold on the eastern part of the island. Mine sweeper "17" was sent into action off Someri to furnish artillery support to the Finns and was engaged by enemy PT boats and planes. Having exhausted her ammunition and being slightly damaged by a bomb hit, the mine sweeper arrived at Kotka at 1500. At 1800, mine sweeper "19" and a net tender left this port.

The 27th Air Force laid mine field "Nashorn X". Sweeping operations have been in part suspended due to weather conditions.

See Telegram 2130 for directive of Group North to the Commander, Mine Sweepers, Baltic Sea concerning the laying of mine fields "Lachs I" to "VII" and the strengthening of the "Seeigel" mine field, east of the present mine fields, for the defense of Hogland and Tytaersaari against enemy raids.

See Telegram 2400 for directive of the Commander in Chief, Air, Operations Staff to the Director of Training, Air Force, to the 1st Air Force, and to the Central Air Force Command, with copy to the Naval Staff, Operations Division, concerning transmittal of information to our planes operating over the Baltic Sea. It is stated that Swedish naval and air forces carry out regular day and night reconnaissance against submarines between Landsort, the northern tip of Oeland, and Gothland.

The 1st Air Force is of the opinion that enemy shipping on Lake Ladoga could be effectively attacked only with the assistance of the Air Force, and the necessary cooperation of air combat forces with the air force ferry unit makes the latter's subordination to Finnish command appear inexpedient.

For corresponding report of Group North to the Naval Staff see Telegram 2358.

V. Submarine Warfare

1. Enemy Situation:

According to radio monitoring, the following ships are believed to be in British home waters: 4 or 5 battleships, 3 or 4 aircraft carriers, 8 heavy and 6 light cruisers.

The usual reports of sighted submarines have come in from the American east coast. In the evening and during the night of 6 Jul. increased air patrol activity was noted in the Caribbean Sea.

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2. Own Situation:

For operation against the remnants of convoy PQ 17, see Situation Arctic Ocean. Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

There is reason to fear that submarine U "502", which should be on her way back to the Bay of Biscay, has fallen victim to an enemy air attack.

While on the way to the north Atlantic, submarine U "86" was heavily bombed in quadrant BE 68 and her diving ability is impaired.

The enemy will intensify in every way his anti-submarine measures to the extent that he **recognizes** the deadly effect of our continued warfare against his merchant shipping. We must reckon with this fact when adopting countermeasures before we are made to feel keenly the effect of submarine losses at sea, in the harbors, and in the shipyards.

From the area around the coast of Florida, submarine U "571" reported sinking a 10,000 GRT steamer in a northbound convoy and the tanker J. A. MOFFETT, JR. (9,788 GRT).

Submarine U "67" sank 1 steamer and the tanker PAUL H. HARWOOD in the Gulf of Mexico. A total of 10,610 GRT.

The Commanding Admiral, Submarines informs the submarines that they are to expect a steady stream of neutral traffic as well as Brazilian diplomatic exchange ships in the Caribbean Sea and in the Gulf of Mexico, outside of the blockaded area.

Three submarines are operating in the eastern Mediterranean against a convoy which has been sighted in quadrant CP 82, headed in an easterly direction. No success scored thus far.

Special Item:

The Commanding Admiral, Submarines plans to employ about 4 submarines in carrying out an operation against heavy enemy traffic (particularly against refrigerating ships) outside of the 3-mile zone immediately off the mouth of the La Plata on about the latitude of the "Banco Ingles". The narrow fairways, along with the tidal conditions which affect some vessels, eliminate lengthy searching and offer the prospect of a rapid and hence great success. This advantage is enhanced by the fact that there is already the possibility of scoring successes while en route to the operational area through waters which are presumably also frequented by enemy traffic.

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The Commanding Admiral, Submarines is of the opinion that Argentine shipping will not be adversely affected since there are appropriate ways of steering clear of wrecks which may possibly be lying in the shallows.

The Naval Staff is investigating the matter.

VI. Aerial Warfare

1. British Isles and Vicinity:

During the night of 8 Jul. heavy enemy forces flew over the northwestern coastal area, with Wilhelmshaven as the center of attack. No reports of damage have as yet been received.

2. Mediterranean Theater:

Actions against Malta and in support of the African Panzer Army, centering on our right flank.

3. Eastern Front:

Our actions centered on the area of the 4th Air Force. The 5th Air Force renewed its attack on Murmansk with observed effect. The two air forces reported a total of 48 enemy planes shot down and 25 destroyed on the ground.

VII. Warfare in the Mediterranean and in the Black Sea

1. Enemy Situation:

Mediterranean:

At 1400, 3 cruisers (1 in dock), the MAIDSTONE, 4 destroyers (2 in dock), 6 submarines (2 in dock), 2 corvettes, 1 auxiliary cruiser, 24 steamers, 9 tankers, and 85 planes, in addition to the EAGLE were located in Gibraltar.

At 2215 one of our submarines located a convoy consisting of 2 steamers, 3 patrol vessels, and 1 PT boat in the eastern Mediterranean, 47 miles east-northeast of Port Said and heading east. (See Submarine Warfare.)

2. Own Situation:

Mediterranean:

Enemy air raid on Messina on the night of 7 Jul. Fourteen Italian submarines were at sea on 8 Jul.

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The 3rd PT Boat Flotilla was obliged to dismiss 2 boats which had used up the running-time for their engines. They left for Augusta by way of Suda.

3. Transport of Supplies to North Africa:

The motor ship ANKARA left Benghazi for Tobruk. The steamers PONTINIA, ISEO, TRIPOLINO and 3 auxiliary sailing vessels arrived in Tobruk. The steamer JAEDJOER and 3 naval barges are en route to Tobruk. The steamers STURLA and BROOK and 1 naval barge are en route to Marsa Matruh. In addition 2 transport submarines are en route to Tobruk. At 2100 the tanker ALBERTO FASSIO and at 2400 the Siena convoy left Suda for Tobruk.

Discharged during the day at Marsa Matruh 310 tons; at Tobruk 2,001 tons.

4. Special Items:

a. See Telegram 2130 for directive of the Quartermaster in the Operations Staff, Armed Forces High Command concerning the creation of an Athens post of the German General at the Italian Armed Forces Headquarters, North African Transport Section, to take charge of shipping and air transport to North Africa by way of Greece.

b. Total turnover in Benghazi:
In June (figures for May in parentheses) 32,412 tons (61,610 tons)
German share of this total 22,703 tons (38,564 tons)

These figures, unfortunately, reveal that large ship transports to North Africa have decreased.

5. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

No new information.

Own Situation:

Mine-sweeping operations and escort duty according to plan. On the night of 6 Jul. Taganrog was shelled from land and sea and raided from the air. The naval battery suffered no damage.

With reference to the supposed British request that the Turkish government permit the passage of the Russian Black Sea Fleet through the Straits, as reported on 7 Jul. by Group South, the Naval Attache at Istanbul informs that nothing is known about such a request, which would, at any rate, definitely be rejected by the Turkish government.

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The Naval Staff also holds that the situation is unchanged in this respect. There is no likelihood that Turkey will open the Dardanelles to Russian naval forces. Turkey gave sufficiently clear assurances to that effect at a time when the German military situation was not as favorable as it is today. Moreover, events in the Black Sea theater have not yet reached a point where the enemy could plan to send Russian fleet forces through the Dardanelles.

For corresponding communication to Group South along with confirmation that the standing restrictions concerning Turkish territorial waters remain in full force, see Telegram 1901.

VIII. Situation East Asia

Nothing to report.

IX. Army Situation

Russian Front:

Southern Army Group:

The operations of Army Groups A and B (Von Weichs and Bock) are proceeding according to plan. Considerable ground has been gained. Advancing in a southeasterly direction, the southern flank of the 6th Army crossed the river Krasnaya, reaching Byeloy Kolodez and Aidar. Enemy pressure is continuing against the northern flank south of Yelets and near Livny. However, all attacks were repulsed, and the enemy suffered heavy losses.

Central Army Group:

Further successes were scored and considerable enemy forces were partially encircled in battles waged in the vicinity of Byelev, Sukhinichi, Byeloi, Kholm and north of the Smolensk -- Vyazma road. These battles were waged as part of current operations to clear the situation in the rear areas of the sector held by this Army Group.

Northern Army Group:

Enemy attacks were halted south of Staraya Russa.

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Finnish and Norwegian Front:

No noteworthy activity.

North Africa:

In the middle sector of the front the enemy staged a rather weak harassing attack and was repulsed. Forces operating on the southern wing won the northern rim of the Qattara Depression and threw the enemy back to the east.

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Items of Political Importance

Italy:

An article in the periodical "Impero Italiano" describes the fundamental structure of the Italian "greater living space", which is to comprise all Latin nations by virtue of their blood kinship and all other Mediterranean or Mediterranean-oriented nations on the basis of their mutual geopolitical and geoeconomic interests. It embraces no fewer than 520,000,000 people in Europe, the Near East, North Africa, and South as well as Central America, i.e. 1/4 of the earth's population distributed over 38.5% of the earth's area. The article also voices the demand for inclusion of all the main African territories! Further details in Political Review No. 158, Par. 3.

It is impossible to surpass the political acumen exhibited in utterances of this type.

Arabia:

The Saudi Arabian Legation in London has again denied all rumors according to which all Saudi Arabian airfields and means of communication are to be ceded to the British and the Americans.

U.S.A.:

According to a United Press release, the United Nations are planning to combine all of their land, sea, and air forces in all theaters of war under a single supreme commander, possibly General Marshall.

Special Items:

I. A compilation of all enemy reports intercepted by radio decoding and monitoring up to 5 Jul. is in the radio intelligence reports of the Naval Staff Communications Division, Communications Intelligence Branch.

See Appendix 2 to the report of the radio monitoring section, with a diagram showing enemy movements in the Arctic Ocean area from 29 Jun. to 6 Jul. (PQ 17).

II. Concerning the Strengthening of Defense Measures in the West.

Fuehrer Directive as per OKW/W.F.St. 551213/42 Gkdos. Chfs.,
1/Skl 1296/42 Gkdos. Chfs.:

1. Our rapid and great victories may place Great Britain before the alternative of either staging a large-scale invasion

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with the object of opening a second front, or seeing Russia eliminated as a political and military factor. It is therefore highly probable that enemy landings will shortly take place in the area of the Commanding General Armed Forces, West. The indications in detail are as follows:

a. An increasing number of statements from agents to that effect, and other data obtained by the Intelligence Service.

b. Heavy concentration of ferrying vessels along the southern coast of England.

c. Holding back of the R.A.F. during the last few days.

2. The following areas are to be regarded as particularly threatened:

a. In the first place, the Channel coast, the area between Dieppe and Le Havre, and Normandy, since these sectors can be reached by enemy fighter planes and also because they lie within range of a large portion of the ferrying vessels.

b. Next, the southern part of the Netherlands coast and Brittany.

c. The main transportation routes, airfields, and staff headquarters are in particular danger from paratroop and air-borne units as well as from sabotage.

3. I therefore order that the following measures be carried out immediately:

a. The Army General Staff is to bring up the SS "Reich" Division, the SS "Adolf Hitler" Division, and the SS Motorized Command; the transfer of 1 infantry regiment to Denmark is to be postponed.

b. The Chief of Army Equipment and Commanding General of the Replacement Army is to organize three "Walkuere II" units and transfer them to the Commanding General Armed Forces, West.

c. The Commanding General Armed Forces, West is charged with the security of railroad lines and with measures of reprisal.

4. By agreement with the Commanding General Armed Forces, West, the Air Force will gather all available forces of the 7th Airborne Division and of the Goering Brigade in their assembly areas and form them into units for immediate commitment; the Air Force will also transfer to France two bomber groups from the eastern reserves of the Commander in Chief, Air Force as per the latter's recommendation.

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5. The Army General Staff, the Commander in Chief, Air Force, the Commanding General Armed Forces, West, and the Chief of Army Equipment and Commanding General of the Replacement Army will report to me daily at 0800 through the Armed Forces High Command, Operations Staff the progress with regard to measures under paragraphs 3 and 4. These reports will set forth the state of affairs as of 1900 at the close of the previous day.

6. In the event of an enemy landing I personally will proceed to the West and assume charge of operations from there.

Naval Staff sends copies of the directive, par. 1 to 5, immediately by courier to Groups West and North. Group West receives telegraphic instructions to obtain information on these orders directly from the Commanding General Armed Forces, West, and to make sure that the Commanding Admiral, Submarines is likewise informed.

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I. War in Foreign Waters

Nothing to report.

II. Situation West Area

1. Enemy Situation:

Southeast of Beachy Head, air reconnaissance observed in the evening a convoy consisting of 25 steamers, 1 cruiser, 8 destroyers, 3 PT boats, and 3 corvettes on a 70° course; and southwest of Milford, apparently coming into port, a convoy of 20 steamers, 6 patrol vessels, and 1 cruiser.

2. Own Situation:

Atlantic Coast:

Six mines were swept from mine field near point "Herz 452". One mine, type T3, was salvaged. It is believed that these mines were planted by a submarine.

Channel Coast:

Complete success was achieved by the boats of the 2nd PT Boat Flotilla in torpedoing missions on the night of 8 Jul.,

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with the assistance of preliminary and combat reconnaissance carried out by the Air Commander, Atlantic Coast and Reconnaissance Group "123". The PT boats sank 5 steamers and 2 tankers, totalling 22,000 GRT. The "Review" convoy was sighted at 1715 during preliminary reconnaissance by the Air Command, Atlantic Coast. The report in question gives the exact ship location, as intercepted by radio monitoring. The flotilla was sent into action on the basis of enemy radio messages, intercepted earlier, which reported the operations of our Air Force. Combat reconnaissance of Reconnaissance Group "123" located the convoy according to plan, dropped flares, and drew anti-aircraft fire and starshells which brought on the PT boats. One German destroyer and 2 patrol vessels observed that the attention of the convoy was obviously strongly diverted by our combat reconnaissance, whereupon our PT boats caught it completely by surprise.

For brief report of the 2nd PT Boat Flotilla, see Telegram 1000.

Here we have a highly gratifying operation which once again distinctly demonstrates the value of close cooperation between PT boats and planes. This important success of our arms will, moreover, give a fresh impetus to our PT boat crews after the meager results of the torpedo missions of the past weeks.

On the evening of 9 Jul., the 2nd and 3rd PT Boat Flotillas were placed on a 2-hour alert. Mining operation by 2 PT boats during their transfer from Boulogne to Cherbourg.

For assent of the Naval Staff to the suggestion of Group West concerning the employment of our batteries on the Channel coast against enemy batteries (cf. War Diary 5 Jul.) see Telegram 1930.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

During an air raid on Wilhelmshaven on the night of 8 Jul., 30 high explosive bombs and 2,000 incendiary bombs were dropped on the navy yard, while 67 high explosive bombs and 8,000 incendiary bombs were dropped on the city. Numerous plants, workshops, and storehouses in the yard were damaged by fire. This caused a slight

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delay in the deadlines for completion of work. Two attacking planes were shot down by naval anti-aircraft guns. The raid followed a concentration of some 70 to 80 planes in the Borkum area and was carried out from an altitude of 1,500 to 6,000 meters. For particulars see Telegrams 0400 and 0815.

For report on other enemy air activity in the coastal area of the German Bight on the night of 6 Jul., see Telegram 1132.

Six ground mines and 2 moored mines were swept during 8 Jul. On 9 Jul. the Norwegian steamer TROMA (5,029 GRT) was heavily damaged by a mine northwest of Vlieland. It was, however, possible to bring the steamer into Den Helder. A total of 8 ground mines was swept during the day. A mine-exploding vessel shot down an enemy plane. One of 3 enemy planes participating in a raid on a convoy southwest of Heligoland was shot down. The enemy carried out a few reconnaissance flights over the German Bight as far as Cuxhaven during the afternoon.

2. Norway:

A coast guard patrol at Svaerholt reported an enemy submarine in quadrant AC 7376 on the evening of 8 Jul. On 9 Jul., 1 submarine chaser sank at 1110 after a detonation off the entrance to Hammerfest. The Admiral, Arctic Coast believes that the submarine was a mine casualty. Unfortunately the Commander, 3 petty officers, 21 crew members, 25 men on detached duty, and men on furlough are missing. Otherwise the usual movement of ships without any noteworthy occurrences.

A double-row anti-submarine mine field has been laid both in the western and in the northern parts of By Fjord near Bergen. For mine field report from Admiral, West Norwegian Coast, see Telegram 1235.

In the opinion of the Commanding Admiral, Norway, Namsos will always attract the enemy in connection with any possible invasion plans because here the supplies carried by water, rail, and Reich highway no. 50 could be cut off effectively and the attack on Trondheim could be pushed from the north. Although the single-row flanking mine field which has been laid in Folla Fjord affords protection to the coastal inter-island route, it does not furnish adequate security against a large-scale attack on Namsos. The Commanding Admiral, Norway recommends that a double-row mine field be laid and that the declared area be announced as extending from 64°36.7'N, 10°58.8'E to 64°36.95'N, 11°02'E. It is planned to set up a battery at the western side of the entrance to Namsos Fjord, near Utforden for the protection of the mine field. Although an enemy penetration into Namsos through Roed Sound and Gylte Fjord need not be anticipated since the waters there are difficult to navigate, the Commanding Admiral, Norway nevertheless makes the further recommendation to blockade the channel west of the Levra lighthouse by

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means of a dummy declared area. For copy of the recommendation, see Telegram 1900.

In accord with the Army's suggestion to the Admiral, North Norwegian Coast, the Commanding Admiral, Norway also recommends that the defenses of Ramso Fjord be reinforced by laying out a double-row mine field in two sections. This mine field would lie within the range of Army coastal battery "947". The Fleet Command is in accord, providing that the naval forces continue to have free passage. Such passage is easily available west of Reifuar (see Telegram 2123).

The decision on the laying of the two mine fields rests primarily with Group North.

3. Arctic Ocean:

Enemy Situation:

According to air reconnaissance there were 21 steamers, 1 tanker, and 1 docked submarine in Kola Bay on 8 Jul. Five submarines were in the naval harbor of Polyarnoye and 13 merchantmen were anchored in the harbor of Iokanga. Single ships were spotted in the waters north of Cape Teriberski. Four steamers and 3 patrol vessels, headed northwest, were sighted east of Iokanga.

At 1047, submarine U "457" located a remnant of convoy PQ 17 in quadrant AC 9352, composed of 3 steamers, 3 destroyers, and 2 patrol vessels. Its last reported position at 2045 was in quadrant AC 9543.

Own Situation:

Two other submarines besides U "457" likewise made contact with the remnant of convoy PQ 17. The Admiral, Arctic Ocean ordered submarines not to cross south of the line 69°N. Thirteen of the Ju 87's committed against the remnant of convoy PQ 17 sank a 7,000 GRT steamer around midnight, 140 miles east-northeast of Murmansk. This brings up to 20 steamers, or 129,000 GRT, the total result of the Air Force operation against convoy PQ 17.

Due to technical difficulties on the LUETZOW, the transfer of the LUETZOW group from Narvik to Trondheim has been delayed 6 hours. At 1800, the group continued on its course out of Sag Fjord.

Group North believes that the entire PQ convoy system will be changed as a result of the loss of convoy PQ 16 and the disaster which befell convoy PQ 17. The Group does not expect that the shipment of supplies to Russia, which is of such vital military importance, will be given up completely. Neither is it likely that the convoys will be broken up into isolated ships, since it would be difficult to protect the continuous chain of steamers which such a measure would entail. The Group believes that the

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enemy would be most likely to break up the convoy into sections of 6 to 8 large, fast steamers. These smaller convoys would first call at Spitsbergen during the expected foggy weather. They would then make for the northern part of Novaya Zemlya, possibly again taking advantage of foggy weather, by hugging the southern tip of Spitsbergen and rounding it to strike out as far north as possible. Proceeding further close to the ice-barrier or through the ice, and again taking advantage of fogs to the greatest possible extent, they would set their course for Cape Kanin.

This information was transmitted by Telegram 1417 to the Admiral, Arctic Ocean and to the 5th Air Force, with copies to the Naval Staff, the Fleet Command, the Commanding Admiral, Cruisers, and the Commanding Admiral, Submarines.

There is much to be said for the opinion of Group North. The question that remains to be answered, however, is whether the enemy will always have the necessary number of large, fast ships available. There is no doubt that after the bad experiences when the Americans had charge of convoy PQ 17, the British will again take over the command and escort of the future PQ convoys, and will vastly strengthen their escorts. They will also try to utilize unescorted ships so far as these are available.

With regard to the suggestion of the Fleet Commander and the reasons given for breaking off operation "Roesselsprung" (see War Diary 8 Jul.), Group North states that the operation was brought to an end when it became apparent during its course that the scattered parts of convoy PQ 17 did not set their course for the Arctic Ocean. They were heading instead into the waters off Novaya Zemlya and Franz Josef Land, probably as a result of the "Roesselsprung" action. Moreover, the actual or expected losses inflicted by our submarines or planes no longer warranted attack by our naval surface forces, since there was no longer a worthwhile objective and the range of the destroyers would have been inadequate for a thrust beyond the planned zone of operations. The actual developments confirmed the correctness of this reasoning. Since no more than 5 out of the convoy's total of 38 steamers can be presumed to be afloat, their positions would be uncertain and they would probably be scattered over a very wide area. (See Telegram 1549.)

The data from 5 Jul. which are before the Naval Staff do not afford any such unequivocal justification for terminating the operation. The Naval Staff and the Chief, Naval Staff well appreciate the fact that the successes scored by the submarines and planes had already considerably diminished the prospects of success that might be scored by the Fleet forces. However, they did not decide to discontinue the

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operation until the enemy sighted our forces and thus the risk involved in the operation came to the fore once again, and when the successes likely to be scored appeared incommensurate with the risk.

Special Items:

Concerning the command over the naval task forces in the Norwegian theater (see War Diary 8 Jul.), the Fleet Commander and Commanding Admiral, Battleships notifies Group North, with copy to the Naval Staff, that if we should have no operation scheduled for the near future, he intends to embark at Hela and to transfer the tactical command of all naval forces in northern Norway to the Commanding Admiral, Cruisers aboard the HIPPER. The Fleet Commander plans to resume the command aboard the TIRPITZ whenever the enemy situation should precipitate the start of defensive operations on the part of our naval forces. Should it not be possible to do so in time, the overall tactical command of the naval forces is to be assumed by the Commanding Admiral, Cruisers, possibly aboard the TIRPITZ.

Concerning the distribution of the naval forces, the Fleet Commander suggests that the TIRPITZ be kept in Narvik only so long as the strategic situation requires. A longer stay is undesirable since it would result in a massing of naval forces and would involve all sorts of difficulties in supply and maintenance. The Fleet Commander does not consider the operational effect of a transfer of the TIRPITZ to Trondheim too disadvantageous, since, in addition to keeping track of the situation in and around Trondheim, the ship will need only about 10 more hours to make the run up north. The Fleet Commander, plans to place the HIPPER under the administrative command of the Commanding Admiral, Cruisers in the event that the ship remains in Narvik, and assumes that the SCHEER will also remain in the northern area until further notice, i.e., that she is not yet scheduled for any special task. (See Telegram 1816.)

Group North declares itself in accord with the 12-hour alert set for the TIRPITZ and the HIPPER at the suggestion of the Admiral, Arctic Ocean. (See Telegram 1209.)

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to radio monitoring, 9 submarines and one escort vessel were at sea. Five of these submarines were in the area of Kronstadt Bay. At 0330, a report was intercepted concerning an engagement between Russian PT boats and our torpedo boats. A Russian PT boat was probably sunk and another damaged during this engagement. The Russian

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naval forces also report that 2 German destroyers and 1 gunboat shelled Someri. On 8 Jul. a Russian patrol vessel reported an oil slick in the same area where a mine explosion was reported to have been heard at 0225. The belief on the patrol vessel in question is that a submarine struck a mine. At 1037 on 9 Jul. naval forces near Someri reported to Lavansaari that the former island is occupied by the enemy.

2. Own Situation:

No noteworthy occurrences in the Baltic Sea entrances and the western Baltic Sea.

According to a report of the Commanding Admiral, Defenses, Baltic Sea the motor ship MINDE sank to a depth of 6 meters west of Samsøe on 3 Jul., following a mine detonation.

Another submarine alarm near Rixhoeft.

The Swedish Navy states that on 9 Jul. a German schooner carrying timber was reported near Haevringe. It appears that she was torpedoed during the day or night of 8 Jul. and is being kept afloat by the cargo.

Troop transports from Danzig to Utoe are proceeding according to plan and without any noteworthy occurrences.

The Commander, Mine Sweepers, Baltic Sea reports that the island of Someri is completely in Finnish hands. Mine sweeper "19" operated together with the NETTELBECK until 0400. An assault detachment from mine sweeper "19" took 78 prisoners. A number of enemy vessels were damaged at very close range during an engagement with Russian escort vessels, a FUGAS-class mine sweeper, and the artillery barge MOSKVA; their destruction was not observed. Mine sweeper "19" and the NETTELBECK arrived in Kotka. The Finns report a direct bomb hit on the artillery barge MOSKVA.

Mine-sweeping operations are proceeding according to plan. The laying of mine field "Seeigel XIX" is set for 10 Jul.

V. Merchant Shipping

After hearing the report of the Reich Commissioner of Shipping, the Fuehrer decided that the Navy should make available about 10% of the requisitioned merchant tonnage in view of the growing shortage in civilian merchant shipping. The Commander in Chief, Navy (Naval Staff, Quartermaster Division, Shipping and Transport Branch) issued a corresponding directive for the Navy. Only freighters and coal-consuming vessels are to be transferred. Ships using civilian crews are to be transferred with the crews. The High Command, Navy will select the ships in the month of July. Reconversion and delivery of the ships will begin.

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as soon as the selection is made. The Commander in Chief, Navy is fully aware of the difficulties caused by the return of the ships. These difficulties will have to be borne.

VI. Submarine Warfare

1. Enemy Situation:

Nothing to report.

2. Own Situation:

For operations against convoy PQ 17 see Own Situation, Arctic Ocean and details in Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

Submarine U "355" started on her way back.

Seven submarines stationed in the North Atlantic are being combined into group "Wolf" and will be sent into action against the southwestern convoy route. They are to occupy a patrol line from quadrant AK 3947 to quadrant AK 6955 by 1600 on 13 Jul., and to proceed at the rate of 130 miles per day on a course of 240°.

The search for submarine U "158" by submarine U "173" off the American coast produced no results.

Submarine U "172" reports sinking the U.S. steamer SANTA RITA (8,400 GRT) while she was en route from Port Said to Boston, via Capetown, with a cargo of gold and copper ore as well as captured German tanks. A large number of secret documents, sailing orders, and a complete set of charts were seized.

Submarine U "172" (Lt. Emmermann) has thereby exhausted her ammunition. She terminated a successful operation with the sinking of 8 steamers and 1 sailing vessel, aggregating 40,000 GRT.

Submarine U "102" of Group "Hai" (submarines in the South Atlantic), reports as of 6 Jul. the sinking of the AVILA STAR (14,443 GRT) in quadrant CF 4953.

Submarine U "372" unsuccessfully attacked the convoy spotted in the Mediterranean. Another submarine was unable to open fire on the convoy headed for Haifa. At the present time the submarines are operating in quadrant CP 8265 against an eastbound convoy which was located by submarine U "453". Contact with the convoy was lost at 2215.

Special Items:

The Commanding Admiral, Submarines again instructs the submarines on

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the need of making exhaustive reports. Such reports are of decisive importance as a basis for a survey of the enemy shipping situation with a view to the commitment of submarines.

As a result of the probable loss of submarine U "502", the Commanding Admiral, Submarines requests that submarines take all possible measures to reduce to a minimum the threat in the Bay of Biscay.

VII. Aerial Warfare

1. British Isles and Vicinity:

In the morning, fighter bombers attacked the airfield at East Dean. One merchantman and 1 patrol vessel were sunk southwest of Portland during an attack on a convoy. Another merchantman was damaged. Four Ju 88's raided Great Yarmouth as an alternate target after an ineffectual night mission against ships.

During the late afternoon, 2 enemy planes carried out a flight over the Borkum-Heligoland area, probably for the purpose of laying mines. On the night of 9 Jul., 23 planes participated in a similar flight over the same area.

Eighteen flights were observed over the Norwegian coast, concentrating on Trondheim, probably in order to attack ships or lay mines.

2. Mediterranean Theater:

Raids were continued on Malta airfields. Other commitments were in support of the Panzer Army in the El Alamein area as well as against airfields in the Egyptian zone of operations.

3. Eastern Front:

Heavy forces were committed in support of the Southern Army Group.

Hits were scored on 1 tanker and 1 merchantman in the Black Sea during a daylight raid on Tuapse.

No noteworthy reports have been received from the Gulf of Finland. An enemy plane was successfully attacked in the Murmansk area. For the twentieth success scored against remnants of convoy PQ 17, see Own Situation, Arctic Ocean.

On the basis of air reconnaissance and radio monitoring, as well as on the basis of data from other sources, the overall strength of the Russian air forces at the front is estimated to consist of 1,200 first-class planes, 450 second-class planes, 420 foreign combat planes, and 130 planes of miscellaneous types. There are probably 500 foreign planes

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in the rear area. Seventy of these are in the Archangel area.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

Air reconnaissance yielded no noteworthy information. According to radio monitoring, planes kept reporting the Crete squadron from 1400 until midnight. Its last position was given as 66 miles northeast of Derna. In addition, a British plane reported a submarine at 0920, 24 miles west of Haifa.

2. Own Situation:

Mediterranean:

On the evening of 8 Jul., 12 enemy planes raided Benghazi but failed to inflict damage in the harbor.

3. Transport of Supplies to North Africa:

On 11 Jul., the steamer AMSTERDAM is scheduled to leave Trapani for Tripoli by the western route. The tanker P.C. FASSIO is due to leave Trapani for Tripoli on the evening of 9 Jul. The steamer SIBILLA left Brindisi on 9 Jul. heading for North Africa by way of Greece. Two transport submarines arrived in Tobruk in the forenoon of 9 Jul.

Cargo unloaded on 8 Jul.: Marsa Matruh - 245 tons; Tobruk - 525 tons.

The "Siena" convoy and the tanker ALBERTO FASSIO were repeatedly attacked without success by bombers and torpedo bombers during the night of 9 Jul., while en route from Suda to Tobruk. The motor ship ANKARA reached Tobruk from Benghazi at 1030. The steamers BROOK and STURLA reached Marsa Matruh in the afternoon.

4. Area Naval Group South:

Aegean Sea:

Convoys proceeding according to plan. No noteworthy occurrences.

Black Sea:

Enemy Situation:

Radio monitoring and air reconnaissance did not furnish any noteworthy information.

Own Situation:

In the forenoon our long-range reconnaissance group attacked

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an enemy submarine 90 miles west of Sevastopol. No success was observed. Three Italian submarine chasers and 5 motor boats were sent into action out of Yalta in the forenoon against remnants of enemy troops near Cape Kherones.

The 4 motor mine sweepers of the 3rd Motor Mine Sweeper Flotilla which arrived in the Black Sea area are for the time being assigned to the Naval Special Duties Detachment for convoy protection. The flotilla is scheduled to be assigned to mine detection and sweeping duty off the west coast of the Crimea when 2 additional motor mine sweepers arrive, probably in the middle of July.

It will be necessary to carry out engine overhaul and small repairs on the light German and Italian naval forces when the battles around Sevastopol come to an end. The ships should be ready to resume combat duty within 2 or 3 weeks.

The Commander, Danube Flotilla, in his capacity as "Chief, Mine Sweeping Operations, Crimea", is clearing a route off the Crimean coast along a line from Eupatoria to Feodosiya, branching off into the harbors.

IX. Situation East Asia

According to an intelligence report of 26 Jun. from Hsinking, the entry of Japan into the war against Russia can definitely be counted on. The only thing which is unknown even to high-ranking officers of the Kwantung Army is the actual date, which may be in the distant future, perhaps not before next spring, since Japan always plans her operations very far in advance. The start of Japan's operation against Russia depends decisively on the development of the German offensive on the Eastern Front. The Japanese Military Commission is looking forward to this offensive along a broad front with unconcealed impatience. The Japanese believe that continued overall Japanese successes in the Pacific and in southern Asia also depend on the success of the German campaign in Russia. The Soviet intelligence service ordered its agents to be ready for instant action at the end of May. A fifth section has been established in the staff of the Kwantung Army to prepare the organization and administration of the territories to be occupied in the Russian Far East. The occupation of Primorie (?) is said to be definitely planned.

Under the date of 26 Jun., the Military Attache at Rome, on the basis of his conversation with the first assistant of the Japanese Military Attache stationed there, reports among other things as follows:

Mopping-up operations are continuing in northern Burma. Japanese troops are on the border of India but are not crossing it. Japanese

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air raids are continuing on the eastern parts of India, with the exception of Calcutta. The 2 divisions in central Burma are carrying out mopping-up operations and are getting set for new operations. Only slight damage has thus far been caused by enemy air raids on Akyab and Rangoon. The Thailand forces have reached the southern boundary of Yunnan but have not moved across.

The battles west of Kwangsinfu in China have come to an end. The airfields which hitherto served as a base for air raids on the Japanese homeland have been wrested from the enemy. The Japanese forces in Canton advanced in 3 columns as far as Fathongting, with the object of securing for Japan the vast tungsten deposits there available. There is no plan for an advance further north of this point.

Naval and Army landing parties have occupied the Aleutians.

Japan has at her disposal 60 submarines and 20 submarine cruisers. The latter are able to remain at sea for 6 months. These submarine cruisers took part in shelling the oil installations near San Francisco. The Japanese maintain that they have thus far sunk 4 U.S. aircraft carriers.

Apparently on the basis of information furnished by the Japanese Military Attache at Budapest, the Japanese General Staff believes that on the line running from Vologda through Ivanovo, the lower course of the river Oka, Tambov, and Stalingrad the Russians have erected particularly strong fortifications at Vologda, Ivanovo, and Stalingrad. Strong troop concentrations are reported in the area east of Tambov.

X. Army Situation

1. Russian Front:

Southern Army Group:

Operations of Army Groups A and B are proceeding according to plan. Parts of the 29th Division reached the Don as far as Pavlovsk. Only slight enemy resistance is noted up-stream along the Don as far as Voronezh. At the same time, enemy pressure and attacks are continuing against our positions south of Yelets and near Livny. The enemy was able to achieve a temporary break-through in the region of the Olym River.

Central Army Group:

Strong enemy attacks in the vicinity of Byelev and Sukhinichi continued with undiminished force. Heavy artillery fire and the bringing up of tanks and aircraft at this point of the front indicate preparations for a large-scale attack. Our losses are considerable. Our

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forces have drawn together the enemy pockets east of Byeloi. South of this position, our forces are advancing west and north without any resistance worth the mention.

Northern Army Group:

No noteworthy engagements.

2. Finnish and Norwegian Front:

Unusually lively enemy reconnoitering activity in the Louhi and Kandalaksha sectors. The unloading of 4 freighters and 22 smaller vessels on the Rybachi Peninsula was observed on 8 Jul.

3. North Africa:

On the southern sector of the El Alamein positions, the enemy turned to the east under our assault and regrouped his forces. In the morning the Panzer Army went over to the attack against the southern end of the enemy position, breaking through along the entire width of the Qattara Depression as far as the breach which had been made before. Our forces captured and occupied a strongly fortified bulwark. According to air reconnaissance, the Siwa oasis is again unoccupied.

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Items of Political Importance

France:

The U. S. Government delivered a memorandum to General de Gaulle which assures of closer cooperation and expresses readiness to appoint a representative to the French National Committee in London. It is pointed out in Washington that such a step does not yet constitute recognition of De Gaulle.

Great Britain:

A debate on the shipping situation will take place in a secret session of the House of Commons since the security of the British people and of the nation's seamen forbids the holding of a public discussion. Gripps informed the House that there are serious but surmountable difficulties. In accordance with the proposal of the laborite member Shinwell, the government will make known in an exhaustive report all those facts which are not absolutely secret in nature.

The Government published a White Book, according to which Great Britain provided the Allied Governments with replacements of losses suffered in ships, despite her own lack of shipping tonnage. Replacements consisted of new ships constructed in British shipyards or of those purchased in foreign countries. About 2/3 of these are new ships. The Allied Governments have obligated themselves not to keep the ships chartered longer than 6 months after termination of the war; instead, they are to be assigned to the transport of supplies to Europe as part of a joint plan.

Turkey:

Foreign Minister Saracoglu assumed leadership of the cabinet, taking the place of the deceased Prime Minister Saydam.

Arabia:

According to Transoceanic News an Arab congress is due to meet in London at the beginning of August. This congress under British leadership is to issue a declaration proclaiming the independence of all Arab states.

Chile:

According to the official German news agency (DNB) the group favoring neutrality is growing. In retaliation the U. S. Government has cut the oil quota by 50% as compared to 1941.

Conference on the Situation with the Chief, Naval Staff

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In a very restricted circle:

Discussion by the Chief of Operations Branch, Naval Staff Operations Division of the report submitted on 7 Jul. by the German General at the Italian Armed Forces Headquarters to the Armed Forces High Command, Operations Staff: In the conference of 6 Jul. the Duce approved the measures taken for the prompt reinforcement of the Panzer Army and ordered, besides, that the Italian Air Force be reinforced and moved up. As regards continuation of the operation, the Duce believes that in view of the absence of the element of surprise, the drive to the Suez Canal by way of Cairo can no longer be carried out with weak forces. He holds that it is more expedient first to take Alexandria as a base for further operations through the Nile Delta to the Suez Canal. Bastico was ordered to discuss this view with Field Marshal Rommel.

Subsequently Cavallero expressed his disagreement with the German General. He believes that it is necessary to cross the Nile in the vicinity of Cairo. The German General pointed out that the defeat of the British forces west of the Nile is of prime importance since otherwise it would not be possible to get to Cairo. In Cavallero's opinion the shortage of fuel makes it impossible to fulfil the Duce's order of reinforcing and moving up the Italian Air Force, unless the latter is relieved of other tasks in the Mediterranean (escort duty, operations against submarines, reconnaissance, and transport service). General Fougier asked for an additional monthly allocation of 4,500 tons of fuel whereupon Cavallero requested a supplementary allocation of 10,000 tons to last him for the duration of the battle of Egypt.

It appears that the German General has confused the figures of 4,500 tons of fuel for the air force and 10,000 tons of fuel for ships.

No other reports or decisions.

Special Items:

I. On 4 Jul. Group North submitted its plans for reinforcing mine defenses in the southwestern part of its area in order to protect the coast of Holland. The southernmost mine field (SW 6) lies partly in the area of Group West as well as in the operational area of the PT boats.

Group West expressed the belief that mine field SW 6 closes the only remaining outlet through which the PT boats could be sent into operation and suggested that this field be laid only in case of acute danger.

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The Naval Staff regards such procedure highly impractical. It approves for both Groups mine fields SW 7, 8, 9, 10 and 11, deferring decision concerning mine field SW 6, and allocates 1,250 standard mines type C.

Copy of corresponding instructions 1/Skl 16396/42 Gkdos. in War Diary, Part C, Vol. VI.

II. Unrelenting attempts of Russian submarines to break through our thickly planted mine fields east of Hogland-Tytersaari show that they are making an effort to achieve greater freedom of action in the Gulf of Finland and in the Baltic Sea. It is to be expected that the enemy will try to regain the islands of Tytersaari and Hogland. In view of this situation, which the Naval Staff believes to be correct, Naval Group North forwarded to the Northern Army Group a request for information as to whether and when our forces might be expected to push back the enemy further and to take the Oranienbaum-Schepel area, and Lavansaari and Seiskari. This information is important since the measures which the Navy must take require a long period of preparation. Copy of the above communication was sent to the Commanding General, 18th Army.

III. The Naval Staff welcomes the operations which the Commanding Admiral, Submarines is planning to carry out in the La Plata estuary. (See War Diary 9 Jul.) However, since at this particular time such operations might give rise to undesirable political consequences with respect to Argentina, permission must be withheld for the time being.

On the other hand, it would be highly desirable to launch an operation in the Capetown area as soon as the Commanding Admiral, Submarines finds it possible.

Corresponding directive is dispatched to the Commanding Admiral, Submarines.

IV. Decision with regard to the transfer of PT boats S "151" to S "158" to the Mediterranean as reinforcement of the 3rd PT Boat Flotilla had been postponed until 15 Jul. Having weighed all the reasons pro and con, the Naval Staff adopted a positive decision in view of the important fact that this series unquestionably contains the last boats which can still be considered for transfer to the Mediterranean from the standpoint of size. If these boats are assigned elsewhere, every possibility of reinforcing the 3rd PT Boat Flotilla or furnishing it replacements is gone. On the other hand, the disadvantage resulting from the transfer would only be temporary because of the steady production of new boats at home.

A corresponding decision is forwarded to the Naval Staff, Quartermaster Division. The vessels are to be transferred in the fall. Chief of Operations Division, Naval Staff considers it expedient to assemble another flotilla in the Mediterranean in addition to the 3rd PT Boat Flotilla. The 5th PT Boat Flotilla should be made promptly available for operational employment and use of other operational flotillas should be avoided. For this reason S "151" to S "158" will have to complete their training in the Mediterranean.

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V. Upon reaching the shores of the Caspian Sea, the Navy will be charged with the task of harassing Russian supply lines in these waters and of supporting the Army in its advance along the coast.

The port of Makhachala is to be used as a base for our naval forces. Our vessels will have to be transported there by rail. In addition to motor pinnaces, Italian submarine chasers and Siebel ferries are suited for that type of transportation.

Detailed instructions are forwarded to Naval Group South, with copy to the Naval Representative at the Armed Forces High Command, Operations Staff and to the Navy Liaison Officer at the General Staff, Army High Command; requisitions of materiel on the basis of operational plans are requested, taking into consideration the limited possibilities. Telegram 1/Skl I opa 15725/42 Gkdos. in War Diary, Part C, Vol. XIVa.

Situation 10 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

The cruisers EURYALUS and PENELOPE are in Newport News and Charleston for repairs. On 16 Jun. a British auxiliary cruiser arrived in Puget Sound for repairs.

Pacific Ocean:

The MARBLEHEAD is at Mare Island (San Francisco) for a minimum of 5 months of repair work, and the AUSTRALIA, listing heavily and in tow, arrived there on 11 Jun.

South Atlantic:

An unidentified ship reported at 2014 that she was being pursued by a suspect vessel some 70 miles southwest of Freetown. The pursuit ended at 2330 because of darkness.

The cruiser VINCENNES arrived at Capetown on 22 Jun. The BROOKLYN reached Durban on 18 Jun. and the CLEOPATRA arrived at Simonstown from Portsmouth on 18 Jun.

Indian Ocean:

Very brisk ship traffic is reported from the area of Capetown. Troop transports sail only in convoy whereas cargo ships still sail alone.

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According to a report of the Naval Attache at Istanbul of 8 Jul. all supply ships en route to ports of the Persian Gulf, as well as those en route to Russia, are being diverted to the Red Sea. All available shipping space, including warships, is being assigned to the transport to Egypt of war materiel which has already been unloaded at Basra.

All pertinent reports indicate that nothing that might aid the defense of Egypt will be left undone.

2. Own Situation:

The Naval Attache at Tokyo reports that he received a report from the DRESDEN that the DOGGERBANK has received charts for route "gelb" for her run to Japan; however, the points on the charts were named "Duesseldorf", "Dahlem", etc. The Naval Staff remarks that the DOGGERBANK must have received flower names for these different points by radiogram. (See Telegrams 1401 and 2030.)

Information concerning enemy situation is sent to all vessels in foreign waters via Radiogram 0418. Along with the above a report was communicated that on 23 May at 20°S 32°W the Italian submarine ARCHIMEDE sighted a convoy, consisting of 1 steamer, 1 heavy cruiser, presumably of the PENSACOLA class, and 2 destroyers, on a southerly course and proceeding at a low speed. The submarine reported scoring 2 hits on the cruiser, but did not observe that she sank.

II. Situation West Area

1. Enemy Situation:

At noon air reconnaissance sighted 8 gunboats in Lyme Fjord on a westerly course, and 11 steamers along with 2 patrol vessels on course 50° east of Falmouth.

According to an intelligence report from Portugal on the basis of reliable diplomatic information of 9 Jul., there will be a considerable increase in air raids on German and French cities during the second half of July. A large-scale landing operation of American and British troops on the French Channel coast, starting from the south coast of England, is to take place during the month of August. The attack is to be launched because of pressure from the Russians who have threatened to enter into peace negotiations with the Germans if no attack is made by the end of August. The Russians are not able to withstand the pressure of the German offensive any longer and fear that their Caucasian oil supplies will be cut off. The sabotage organization recruited from French civilian population, which is adequately supplied with weapons and explosives, is supposed to be receiving support from British and American paratroops.

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According to another report from a military source, an immediate invasion of the Channel ports by U. S. troops is said to be impending.

These reports, particularly the first one, are apt to prove correct. However, the dates are not necessarily absolutely exact. At any rate, it is not impossible that the most recent military developments in the East, along with the ever-mounting pressure of submarine warfare, have provoked the enemy to adopt decisions that did not appear too urgent a short while ago.

2. Own Situation:

Atlantic Coast:

The minesweeper "4401", leader of a convoy, struck a mine and sank in the forenoon off Cape Forret. Sixteen men are missing.

Channel Coast:

On the night of 9 Jul. south of Boulogne the 12th Motor Mine Sweeper Flotilla fought a brief engagement with 2 enemy destroyers, 4 PT boats, and 2 motor gunboats. Motor mine sweeper "178" sank 1 motor gunboat by ramming and by shelling her with incendiary ammunition at a range of 20 m. Motor mine sweepers "176" and "178" have been disabled. In the opinion of Group West the enemy was on a mining operation along the "Herz" route or on a convoy attack mission. During the same night PT boats "78" and "66" carried out a mining mission according to plan while in transit from Boulogne to Cherbourg. Although they were contacted by enemy radar from Beachy Head for two hours, there was no defensive action. (See Telegram 1125.)

Two Spitfires raided the harbor and railroad terminal of Dieppe during the day. A fishing patrol vessel was also attacked by 2 Spitfires and slightly damaged off Fecamp.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

On the night of 9 Jul. enemy planes were active over the coastal area of the German Bight, apparently in order to lay mines on the "Hellrot" and "Braun" convoy routes and around Heligoland, and also to attack ships. Three ground mines were swept on 10 Jul. A fishing cutter hit a mine and sank north of Langeoog island. Mine-sweeping operations on mine field "2", and escort and convoy duty proceeded according to plan.

The 10th Company of the 201st Naval Coastal Artillery Battalion fired 10 salvos at a target located west of IJmuiden. No success was observed.

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2. Norway:

At 0300 enemy planes unsuccessfully attacked a convoy off Sylte Fjord. Fifteen enemy planes flew over the Frohavet-Folla Fjord area between 0100 and 0200, probably trying to find the LUEZOW group. The latter arrived in Trondheim at 1430.

Mine-sweeping and convoy duty without any special occurrences.

3. Arctic Ocean:

Enemy Situation:

According to an intelligence report from Portugal, a convoy of American steamers left the U.S. on 4 Jul. for Britain probably with Russia as the ultimate destination. According to an intelligence report from Sweden dated 9 Jul, a convoy just arrived at 59° 58'N 44° 15'W (southern tip of Greenland) and received an order not to proceed to the Barents Sea but to make for 55° 00'N, 07° 20'W (North Channel). The control station for west and eastbound convoys is given as 56° 30'N, 18° 00'W (north coast of Iceland).

According to submarine reports, starting at 0345 remnants of convoy PQ 17 were in quadrants AC 98, AC 97 and AC 95. It cannot be definitely ascertained at this time whether the reports have reference to one or more groups, consisting of 3 steamers each. The Admiral, Arctic Ocean believes that there is one group either in quadrant AC 9759 or in AC 9844 and another in quadrant AC 9574.

At 1330 air reconnaissance located 2 steamers 120 miles east of Murmansk. They were proceeding separately, each with an escort of 2 patrol vessels. Ten steamers were anchored in Iokanga. In the forenoon, 1 steamer and 10 patrol vessels, proceeding on a northerly course, were north of Kildin Island.

A heavy Russian submarine on an easterly course was sighted in quadrant AC 4792.

According to radio decoding, at 1545 a British vessel reported an air raid on the convoy of the COMPETENT (PQ 17) 10 miles north of Svyatoi Noss. At 1642 Murmansk radioed: "Fighter escort for COMPETENT on the way".

Own Situation:

During the afternoon the submarines lost contact with the remnants of convoy PQ 17.

At 0415 in quadrant AC 9843 submarine U "376" sank the U.S. freighter HOOSIER (6,000 GRT) which had already been damaged in an air raid.

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The HOOSIER went down with her cargo of tanks. At 0545 submarine U "251" sank a 7,000 GRT steamer in quadrant AC 9554. Thus the total sinkings by submarine out of convoy PQ 17 amount to 15 ships of about 106,000 GRT. (On 4 Jul. - 1 steamer; on 5 Jul. - 6 steamers; on 6 Jul. - 2 steamers; on 7 Jul. - 3 steamers; on 8 Jul. - 1 steamer; on 10 Jul. - 2 steamers.) The submarines received orders to set out on their return voyage to the convoy route, via the route prescribed in the order of the Admiral, Arctic Ocean. Details in supplement to Submarine Situation.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to radio monitoring, 4 of the 9 submarines at sea were located in the area between Seiskari and Kronstadt. According to sighting reports, what was probably a submerged submarine was observed 20 miles northwest of Reval. In addition, in the area of Lavansaari a torpedo boat, 21 patrol boats, and 17 PT boats were observed in the forenoon; in the afternoon in the area of Peninsaari 6 FUGAS-class minesweepers and 11 motor mine sweepers were sighted in the afternoon east of Schepel on a westerly course.

2. Own Situation:

The "Kunigunde" mining operation has gotten under way. Participating in this operation are the KOELN, gunboat K "1", and mine sweeper "1907".

A ground mine was swept north of Fehmarn.

The German schooner FIDES which was torpedoed off Haevringe is being towed in by a Swedish tug. The sinking of the Swedish steamer MARGARETA by enemy submarines in Swedish territorial waters off Arke Sound on 9 Jul. is reported. Neither the FIDES nor the MARGARETA sailed in convoy.

Minefield "Seeigel XVI" was laid in the Gulf of Finland according to plan. On the way back from this mining operation, a naval barge struck a mine and had to be beached. A heavy loss in personnel was sustained.

While relieving the forces on the island of Someri, mine sweeper "19" and the NETTELBECK on their own initiative took action which led to the recapture of the island, and liberated the Finnish troops there from a most difficult situation. After an exchange of gunfire with superior Russian naval forces north of Lavansaari, both ships forced their way back to Kotka after their ammunition was exhausted. For the special commendation bestowed by the Commanding Admiral, Group North for this act, with the full approval of the Naval Staff, see Telegram 1724.

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V. Submarine Warfare

1. Enemy Situation:

Radio monitoring intercepted the report of a British plane concerning a submarine submerging 150 miles northwest of Cape Vilano. A British vessel (AF) was located at 1704 in quadrant AM 2955, 120 miles west of the Hebrides. According to radio decoding a submarine sank the Norwegian steamer TARANGER (4,873 GRT) 20 miles west of the Azores.

The usual reports of sighted submarines were intercepted off the American coast and in the West Indies. A ship which was torpedoed on 9 Jul. north of Trinidad has been abandoned.

2. Own Situation:

For further developments in the operation against convoy PQ 17 see Own Situation, Arctic Ocean.

In the North Atlantic in quadrant AL 1967 submarine U "90" encountered an eastbound convoy consisting of 5 steamers and 2 light cruisers. The submarines in the vicinity were ordered to attack this convoy. However, since it is improbable that the convoy will be overtaken in view of the high speed at which it is proceeding, the operation was terminated following a miss registered by submarine U "90".

No successes have been reported during the current day.

Particulars in Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report.

2. Mediterranean Theater:

Air raids on Malta airfields and support of the African Panzer Army are continuing.

3. Eastern Front:

Heaviest commitment of the 4th Air Force in the area of the attacking army. 95 planes were shot down.

The Finnish air force reports a total of 18 enemy vessels sunk and others damaged in the battles for Someri on 8 and 9 Jul.

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The 5th Air Force helped to bring through a convoy into the port of Petsamo by engaging the enemy forces and batteries on the Rybachi Peninsula.

Sixteen Ju 88's attacked and heavily damaged 2 steamers which were proceeding separately 120 miles east of Murmansk, each escorted by 2 patrol vessels.

4. Special Item:

The Air Force Operations Staff (Ic) reports that on the basis of testimony of prisoners of war, intensified daylight strafing raids must be expected on submarine base and repair docks.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

The cruiser CHARYBDIS and 1 CAIRO-class cruiser were at sea off Gibraltar for target practice.

Air reconnaissance in the other portions of the Mediterranean without noteworthy occurrences.

According to radio decoding probably 3 submarines are on the Gibraltar-Malta-Eastern Mediterranean route.

2. Own Situation:

On the night of 8 Jul. the enemy staged an air raid on Tobruk. No damage in the harbor. On the night of 9 Jul, 3 boats of the 3rd PT Boat Flotilla carried out a torpedoing mission north of Alexandria. In the Mediterranean, 16 Italian submarines were en route and in waiting positions at sea.

3. Transport of Supplies to North Africa:

The "Squilla" convoy, consisting of 4 motor ships, set out for Benghazi and Tobruk under escort of 3 destroyers and 5 torpedo boats.

The "Siena" convoy and the tanker ALBERTO FASSIO arrived in Tobruk according to plan.

The motor ship AMSTERDAM, the steamer ARMANDO, and the tanker P.C. FASSIO are en route to Tripoli.

Coastal supply shipments according to plan.

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4. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

According to photo reconnaissance, the following were located in Novorossisk on 9 Jul.: The hull of a heavy cruiser (KIROV class); 1 destroyer of the TASHKENT class, half submerged; 1 destroyer of the GNEVNY class, 2/3 submerged; 1 steamer in the floating dock; another damaged; and 1 10,000 GRT steamer. In Sochi: One cruiser and about 15,000 GRT of merchant shipping tonnage. In Tuapse: 5 PT boats, 2 submarines, 2 mine sweepers and about 23,000 GRT of merchant shipping.

Own Situation:

Convoys proceeding according to plan.

Several hundred prisoners were captured during mopping-up operations on the Kherones Peninsula in cooperation with Italian submarine chasers and motor boats. Submarine chaser "527" brought in 29 prisoners.

The coastal route from Sevastopol to Balaklava was swept for mines by 4 motor mine sweepers and the 17th Harbor Defense Flotilla on 9 Jul. but no mines were found.

On the night of 8 Jul. an air raid was carried out on Yalta, Alushta and Eupatoria. No particular damage was sustained.

Special Items:

Information received repeatedly leads the Naval Staff to point out to the Armed Forces High Command, Operations Staff and to the Fuehrer's Adjutant with the Armed Forces High Command, to the General Staff, Army High Command and the Air Force, Operations Staff that the Russian Black Sea fleet will still be in a position to operate in the Black Sea after the capture of Novorossisk and Tuapse as long as the remaining harbors on the southern coast, particularly Poti and Batum, remain in Russian hands. Limited repair facilities as well as small docks are available. It is to be expected that the Russians will take along the larger floating docks from Novorossisk.

VIII. Situation East Asia

Nothing to report.

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IX. Army Situation

1. Russian Front:

Southern Army Group:

The Southern Army Group is henceforth subdivided into groups A and B (under the Command of Field Marshals List and Von Bock respectively).

Army Group A is pursuing the retreating enemy eastward. North of Kremenaya strong enemy rear-guard troops are holding out.

Army Group B: On the right wing this group reached a point 35 miles east of Starobyelsk. Tank and motorized units crossed the Boguchar River. Infantry divisions are following in a southeasterly direction. The Dónets was reached south and north of Svoboda. At Voronezh the enemy launched an attack in the vicinity of the railroad terminal north of the city and penetrated that section temporarily. South of Yelets near Livny the enemy made other and heavier attacks. The Army Group is digging in for defense at this point between the Don and its old position.

Central Army Group:

In the Byelev and Sukhinichi area the force of enemy assaults has declined. Points of penetration of the last few days have been mopped up. The pocket east of Byeloi has been tightened by concentric attacks. Numerous prisoners and vast stores of materiel have fallen into our hands.

Northern Army Group:

Enemy attacks on the Volkhov front were repulsed after occasional temporary penetrations.

2. Finnish and Norwegian Front:

No noteworthy engagements.

3. North Africa:

In the morning hours following a one-hour preparatory artillery barrage the enemy attacked the sector of the Italian 21st Army Corps, centering his assault between the coastal road and the sea. The enemy broke through the positions of one division to a depth of 5 km, overrunning its battalion and artillery positions. The break-through was sealed off 3 km southeast of the army command post. Battles aimed at restoring the situation were still continuing during the evening. To accomplish this a counterattack was staged against the southern flank of the wedge driven in by the enemy, by hastily assembled combat units under the command of Field Marshal Rommel.

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We were able to make only slight territorial gains during our attack against the southern wing of the El Alamein position, against stubborn enemy resistance.

The set-back suffered because of the failure of the Italian 21st Army Corps is highly regrettable. Particularly in view of the resumption of the Rommel offensive it remains to be seen what consequences this will have, other than to revive the enemy battle spirit.

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Items of Political Importance

Portugal:

According to a diplomatic report another Portuguese contingent of troops has been sent to the Azores. This confirms Portugal's steadily emphasized intention of defending her Atlantic island possessions against all possible attacks. This is all the more significant since there are reasons to believe that the British would like to compensate themselves with western bases for those they have lost in the Near East.

Sweden:

Indignation is running high over continued torpedoing of Swedish ships by Russian submarines. The press emphasizes that this constitutes beyond question a deliberate violation of neutrality of the crassest kind. At any rate, these incidents have likewise exercised a pronounced influence on the public reaction towards Germany as well.

U.S.A.:

On 10 Jul. Roosevelt signed a bill providing \$8,500,000,000 for expansion of the fleet. Out of this total, \$7,500,000,000 are slated for the construction of 500,000 GRT of aircraft carriers, 500,000 GRT of cruisers, and 900,000 GRT of destroyers and escort ships.

The statement of the chairman of the committee for military affairs in the House of Representatives, that the war will end in 1942 or 1943 at the latest, is meeting with strong criticism from the U.S. press. The press points out that such a swift ending of the war can by no means be expected, judging from the current state of affairs. On the contrary, it must be assumed that it will be a long and hard war.

Brazil:

According to a report from a diplomatic source, at the request of the U.S. Brazil has again offered to conclude a military agreement with Chile. It is hardly probable that in the face of the present situation Chile will be disposed to reconsider **this suggestion.**

Special Items:

I. With reference to defense measures in the West, the Armed Forces High Command, Operations Staff does not consider it impossible that paratroop operations will be extended to include the area of the 6th Army District during an enemy landing in the area of the Commanding General Armed Forces, West. It is also possible that portions of the population from the Netherlands and to some extent also from the Belgian area will attempt to cross the German border.

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The Chief of Army Equipment and Commanding General of the Replacement Army, therefore, receives instructions to reexamine the measures planned for strengthening the frontier defenses and the air defenses of fixed installations in the 6th Army District, with particular reference to the Netherlands border zone and the Ruhr zone. It is possible to count on a maximum of 6 naval rifle battalions from the North Sea Naval Station in the event of need. Possibilities for their commitment within a strengthened frontier defense along the borders of the Netherlands are to be explored jointly with the Commanding General Armed Forces, Netherlands, in so far as these commitments are to take place in the Netherlands zone.

The Naval Staff instructs Group North and Group West to that effect.

II. In accord with the Fuehrer Directive of 9 Jul., concerning the bolstering of defense measures in the West, Group North issues the following directives to Naval Station, North, to the Commanding Admiral, Defenses, North, to the 1st Coast Patrol Division, and to the Commanding Admiral, Baltic Countries, with copies to the Naval Staff and to the Naval Station, Baltic: In addition to ordering increased watchfulness, Group North plans within the next few days to reinforce the southern portion of the Westwall from the boundary of Group North as far as Terschelling. The Commanding Admiral, Defenses Baltic Sea and Naval Station, North are to ascertain at once whether the enemy's mine-laying and reconnaissance flights within the past few days furnish any clue as to the site which he is selecting as his objective. The Commanding General, Air Force Group Command, Central Area sees some significance in the fact that the enemy is carrying out frequent flights over routes off the North Sea islands as far as Wangeroog and over the island itself.

Moreover, Naval Station, North reports intensified enemy mining operations since the month of April, with the area between Terschelling and Borkum as the center of activity. The object of these enemy operations, apart from harassing convoy traffic, may possibly be to secure his flanks for an attack on Holland. No selection of a focal point of enemy activities was noticeable in the last few days.

III. The General Staff of the Army High Command requested that 80 to 100 naval barges be made available to it by 10 Aug. for operation "Bluecher" (see War Diary, 8 Jul., Special Items, Paragraph 3). This cannot be accomplished since it is impossible to transport finished barges via the Danube from Germany in such a short time. The total number of naval barges in the Black Sea is expected to be 28 to 30 by 10 Aug. Out of that number 4 on the average will not be ready for action. In addition, losses and damages must be expected. The General Staff can therefore make its plans only on the basis of 20 barges. It may, perhaps, be possible to raise the number to about 32. Every effort will be made to do so. The Naval Staff Operations Division informs the General Staff of the Army High Command to that effect, calling attention to communication 1/Skl Iop 1290/42 Gkdos. Chefs. (see War Diary 8 Jul.).

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IV. In view of a shift in Swedish public opinion in favor of Germany as a result of the sinking of Swedish ships by Russian submarines, the Foreign Office has requested that every effort be made not to disturb this favorable political development by such incidents as attacks on Swedish fishing vessels in the vicinity of our declared areas. The Naval Staff dispatches a directive to that effect to Group North, with copy to Commanding Admiral, Defenses, Baltic Sea; to Commanding Admiral, Defenses, North; and to the Naval Liaison Officer with the Commander in Chief, Air. It is not planned to send a communication to Sweden.

V. The Air Force Operations Staff requested from the Naval Staff an exhaustive estimate of landing possibilities on the French coast, for submission to the Commander in Chief, Air Force. The Naval Staff has complied with this request. Copy as per l/Skl I op 16934/42 Gkdos., which was also sent to the Permanent Representative of the Commander in Chief, Navy at Fuehrer Headquarters; to the Naval Liaison Officer at the General Staff, Army High Command; and to the Naval Representative at the Armed Forces High Command, Operations Staff, in War Diary, Part C, Vol. X.

VI. The Naval Attache in Rome reports under the date of 3 Jul. concerning the detailed discussion held with Admiral Riccardi, Commander in Chief of the Italian Navy. In the course of this discussion, Admiral Riccardi commented on the battle waged by the 7th Cruiser Division off Pantellaria and about the experiences of the Italian Navy during the naval and air engagements of 14 and 15 Jun. Report as per l/Skl 16495/42 Gkdos. is in War Diary, Part C, Vol. XIII.

Situation 11 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

According to press reports the Brazilian fleet, already reinforced by American warships, is to be further strengthened by the addition of British destroyers, which have arrived in Brazilian ports in the last few days. These destroyers are intended for coastal defense.

2. Own Situation:

Directive to the CHARLOTTE SCHLIEMANN concerning radio communication with the Naval Attache in Tokyo by Radiogram 1416.

Since no order has thus far been received for the MADRONO to call at Batavia, this prize ship is ordered to continue by way of the "Rollbahn" route. She is also given instructions for putting into Batavia in case the order is given after all. Corresponding order

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to the MADRONO by Radiogram 2226.

In the event that the Naval Attache in Tokyo considers it necessary that ship "10" receive advance written instructions for her stay in Japan, the Naval Staff is prepared to have her meet a blockade-runner which is en route from Japan to Europe. Corresponding instructions to the Naval Attache in Tokyo by Telegram 1035.

Information concerning enemy situation by Radiograms 0616 and 1921.

II. Situation West Area

1. Enemy Situation:

Reports of Anglo-American invasion plans are increasing. According to a Spanish intelligence report originating in Portuguese sources, during the last conference between Roosevelt and Churchill the U.S. project of landings at Casablanca, on the island of Madeira, on the Canary Islands, and on the Azores, with a simultaneous large-scale attack on Dakar, was shelved. Instead a British plan was adopted for opening a second European front, apparently in northwestern France. According to another intelligence report from a Polish source through the German Embassy in Tarabya, dated 6 Jul., a large-scale British invasion attempt is due to take place during next week at one point in Holland and at 2 points in France. Eight hundred Basques are said to have been trained as paratroopers in England. They are to be assigned to sabotage work on the coast of the Bay of Biscay.

According to radio monitoring, 3 naval vessels and 4 other ships were at the eastern end of the Channel. In the Portsmouth area there were 4 ships and 1 submarine chaser, and in the Davenport area there were 4 ships and 2 submarine chasers.

At 1812 off Dartmouth air reconnaissance sighted a force consisting of 1 cruiser and a number of destroyers on a southwesterly course, as well as a convoy north of the Scilly Islands.

2. Own Situation:

Atlantic Coast:

According to a report from Group West, it is not unlikely that mine sweeper "4401" (see War Diary 10 Jul.) was lost as a result of a torpedo fired from a submarine. Up to the present it was believed that she had struck a mine.

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Channel Coast:

In reply to a request made by telephone, the Naval Staff informs the Armed Forces High Command, Operations Staff concerning the state of readiness of all batteries on the islands of Alderney, Guernsey, and Jersey. This information is based on the report of the Commanding Admiral, France. Copy as per Telegram 1/Skl 16911/42 Gkdos. is in War Diary, Part C, Vol. X.

Four enemy planes attacked the radar installation at Den Haan in the afternoon. Slight personnel losses were suffered.

The "Zaunkoenig" mining operation, part of the Seine Bight system of mine fields, has been started. The PT boats which were supposed to take part in the mining operation are not participating.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

According to photo reconnaissance of 11 Jul. the following were located in Scapa: one KING GEORGE V class battleship, one battleship probably of the RENOWN class, 3 heavy and 6 light cruisers. At 1732 in quadrant AN 2123 radio monitoring observed a British vessel between the Shetlands and the west coast of Norway.

Own Situation:

All mine-sweeping operations were suspended because of weather conditions. A number of light vessels at sea were reported to have suffered accidents. For details see Telegrams 1950 and 1221. The Commanding Admiral, Defenses, North reports that mine field "1" has been swept but no mines were found.

2. Norway:

Three motor mine sweepers were unsuccessfully shelled from the Rybachi Peninsula during sweeping operations off Petsamo.

The Swedish ships STEGEHOLM and ECUADOR started out on their overseas run from Kristiansand South.

The cruiser KOELN and the destroyer FRIEDRICH ECKOLDT arrived in Kristiansand South after completing the "Kunigunde" mining mission.

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Group North issued an order for transfer to Trondheim. The cover name is "Auerhahn". The destroyer Z "24" and the FRIEDRICH IHN are assigned to serve as escort in place of the "K 1" which is not available due to engine trouble. The escort is to proceed preferably only as far as Stavanger.

LUETZOW reports, after examination at Trondheim shipyard, that it will be necessary for her to dock.

3. Arctic Ocean:

Enemy Situation:

According to air reconnaissance, 5 steamers were proceeding on a 130° course north of Murmansk at 1335.

Own Situation:

No bombers were sent into action against these remnants of convoy PQ 17 on 11 Jul. At 2400 submarines were returning via the convoy route at 71° 31' N.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

A gunboat was located off the Karelian coast. She was outfitted approximately as follows: one 88 cm gun forward of the bridge, one 4 cm anti-aircraft gun aft of the bridge, and probably machine guns on the bridge.

2. Own Situation:

Transport, convoy, and escort duty proceeding according to plan. According to directive from Naval Station, Baltic, merchant ships may proceed only in groups of 2 between Swinemunde and Danzig.

Three enemy planes carried out a low-flying raid on the Flensburg shipyard at 1817, but caused only a little damage to property. For combat report of the Coastal Defense Commander, West see Telegram 2300.

Mining operations and anti-submarine patrol in the Gulf of Finland proceeding according to plan.

The NETTELBECK and a heavy gun carrier fought an engagement with enemy naval forces south of Someri, while supporting the Finns near that island. Neither side was particularly affected.

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According to a Finnish report, the Russians employed aerial mines for the first time against Finnish mine sweepers.

For report of the Naval Attache, Stockholm about the Swedish-Finnish agreement concerning air reconnaissance over the waters around the Aland Islands, see Telegram 2036.

In view of the momentary enemy submarine situation the Naval Staff does not hesitate to permit Swedish reconnaissance planes to operate up to 210°, as long as the information obtained is conveyed immediately to the Finnish Navy.

V. Submarine Warfare

1. Enemy Situation:

Very lively reconnoitering activity in the southern rendezvous area. Planes reported sighting submarines 100 miles west of Faeroe Bank and 60 miles northeast of Rockall Bank. Planes likewise reported attacking a submarine which was submerging 190 miles northwest of Cape Vilano.

An attack by a submarine has been reported in the West Indies, 80 miles northeast of Port of Spain. The usual sighting reports were intercepted off the U.S. east coast.

2. Own Situation:

Submarine U "571" sank the steamer NICHOLAS CUNEO (1,651 GRT) in the West Indies by gunfire. Submarine U "203" reports sinking the steamers CAPE VERDE (6,914 GRT) and STANVAC PALEMBANG (10,444 GRT). On 9 Jul., submarine U "66" sank the steamer TRIGLAV (6,363 GRT). Submarines U "116" and U "201" both claim to have sunk the tanker CORTONA (7,093 GRT).

Submarine U "561" succeeded in carrying out unobserved the second mining mission off Port Said in the Mediterranean. Further information in Supplement to Submarine Situation, War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Fighter bombers attacked the enemy force sighted in the afternoon off Dartmouth. One destroyer was sunk and another was probably sunk. Two steamers were probably damaged during the attack on the convoy north of the Scilly Islands. Two planes attacked Falmouth as an alternative target. A convoy was attacked off

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Orfordness; results not observed. A few bombs were dropped on Lowestoft as an alternative target. In the afternoon, about 40 enemy planes flew in a wide front over Jutland in the direction of Sweden. Of these, 20 planes raided Danzig in several waves, beginning at 1900. A number of reports of damage have been received. However, damage of importance to the war effort was inconsiderable. Other raids were carried out in the afternoon on Flenburg and near Tondern. It was not possible to send up our night fighters due to unfavorable weather conditions.

2. Mediterranean Theater:

Forces of the Commanding General, Armed Forces, South were sent into action against Malta airfields. Also, planes supported the African Panzer Army in the area of El Alamein.

3. Eastern Front:

One plane was damaged and a quantity of fuel was destroyed during an enemy air raid on the Kirkenes air field.

Warfare in the Mediterranean:

1. Enemy Situation:

Mediterranean:

Upon her arrival in Gibraltar the CHARYBDIS was put into dock. In the forenoon the EAGLE was at sea east of Gibraltar for several hours of drill.

According to a decoded radio report of the British Admiralty the destroyer KINGSTON was sunk during an air raid on the Malta shipyard on 11 Apr.

Air reconnaissance sighted only slight convoy traffic in the area north of the Nile Delta up to Port Said. No substantial change in the vessels occupying the ports of Alexandria and Haifa. Radio monitoring intercepted several reports, revealing that a number of ships of the British Mediterranean fleet are anchored in Port Said.

2. Own Situation:

Two boats of the 3rd PT Boat Flotilla arrived in Augusta for engine overhaul. Two other boats are en route to Augusta.

See 1/Sk1 16927/42 Gkdos. in War Diary, Part C, Vol. XIV for recommendation of the deputy Commanding Admiral, German Naval Command, Italy that the Knight's Cross of the Iron Cross be awarded to the Commander of the 3rd PT Boat Flotilla, Lieutenant Kermade.

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3. Transport of Supplies to North Africa:

The following have been transported to Tobruk by the Siena group: 206 men, 95 vessels, 15 anti-tank guns, 526 tons of fuel, 1,642 tons of ammunition and 172 tons of other army materiel. The steamer JAEDJOR and 2 naval barges arrived in Tobruk. Unloaded on 10 Jul.: at Tobruk 445 tons; at Marsa Matruh 547 tons. Three naval barges left Palermo for Tripoli on 10 Jul. At 1400 a direct hit was made on the steamer BROOK in Marsa Matruh. The ship burned up and is considered lost. No further details have been received.

4. Area Naval Group South:

Aegean Sea:

Enemy air raid on Gavdhos on the night of 9 Jul. Convoy duty proceeding according to plan, without noteworthy occurrences.

Black Sea:

Enemy Situation:

Reconnaissance of the enemy disclosed only very slight movement of submarines and small vessels.

On the night of 9 Jul., 2 PT boats attempted to penetrate into Kerch harbor. They were driven off by machine gun fire and anti-tank guns, and escaped. During a simultaneous landing attempt made by 3 boats south of Kerch which was repulsed by the Rumanians, one of the boats was shot into flames.

Own Situation:

It has been accurately determined that the shipyard installations of Sevastopol have been completely destroyed. Anchorage space is available in the harbor.

The northern and southern convoys proceeded according to plan. The Balaklava-Sevastopol route was swept, but no mines were found.

VIII. Situation East Asia

Violent battles are in progress in the southern part of Chekiang province.

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IX. Army Situation:

1. Russian Front:

Army Group A:

East of Markayevka Italian divisions went over to the attack in a northeasterly and easterly direction, gaining 10 to 15 km. East of Kramatorsk infantry and tank units crossed the Donets, reaching Novo Astrakhan. Advance units reached Shulginka. North of that position Rumanian forces are near Starobyelsk.

Army Group B:

On the southern wing, advance units reached the vicinity of Markovka. Tanks and motorized units advanced as far as the region south of Kazanskaya. In further assaults the troops advanced to the Don, south of Svoboda. Enemy attacks against our defense front near Yelets and Livny failed.

Central Army Group:

Strong enemy pressure is continuing west of Byelev. East of Kirov the enemy penetrated our lines temporarily at several places. New enemy attacks are to be expected. Attempted thrusts against our defensive front north of Byeloi as well as attempts to break out of the pocket proved fruitless.

Northern Army Group:

The enemy is continuing his futile attacks on the north-eastern Demyansk front. Local engagements on the rest of the front of this group.

2. Finnish Front:

Nothing to report.

3. North Africa:

The enemy again succeeded in breaking through close to the breach he made yesterday, capturing 2 additional Italian battalions. It was possible to seal off the penetration by sending in German Army and anti-aircraft artillery. The Panzer Army was forced to draw off heavy German forces, particularly the bulk of the German Army and anti-aircraft artillery from the southern sector, in order to restore the situation in the north. Consequently, the Panzer Army went over to the defensive on the southern sector with weaker defense forces, occupying the fortified positions between El Taqua and Ralat with the bulk of its forces. During the British attacks on 10 and 11 Jul., 2 battalions and all the artillery of the Abrata Division, one and a half Bersaglieri battalions of the XXI Army Corps, and 1 battalion of the Trieste Division were taken prisoner. Other units of the XXI Army Corps took flight, leaving

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their weapons behind.

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Items of Political Importance

Sweden:

The official Russian telegraphic agency Tass denied that Russian submarines attacked Swedish steamers in Swedish territorial waters. However, the Swedish Foreign Ministry states that there is proof of Russian submarine attacks. Measures for the protection of Swedish shipping will be increased.

Turkey:

According to the Vichy telegraphic service, the Turkish Government has taken certain precautionary measures on the eastern and southern borders. However, the Turkish-Russian border has not yet been completely closed.

Argentina:

Also according to the Vichy telegraphic service, the Argentine Government, following the recommendation of the Rio de Janeiro conference, decided to break off telegraphic and radio communication with the three Axis powers.

Japan:

According to a report of the Ambassador at Tokyo, rumors are circulating to the effect that a government reorganization is impending. Although there are no apparent reasons for such a reorganization, it is quite characteristic of the Japanese for the cabinet to lose its usefulness simply with the passage of time. After the none too favorable experiences with the Yonai cabinet, the navy is not inclined to take over the prime ministry. Abe, retired general, prime minister, and leader of the Imperial Aid Association, is mentioned as the foremost choice to succeed Tojo. In the opinion of the Ambassador, General Abe must be regarded as a colorless personality and his appointment will be no gain to us. The Ambassador is of the opinion that the change may possibly be made in the fall.

Special Items

I. The Fleet Commander and Commanding Admiral, Battleships submitted to Group North, with copy to the Naval Staff, a report concerning operation "Roesselsprung". According to this report the fleet force, on the basis of the enemy situation, took the precaution of leaving Alta Fjord through the island waters on the afternoon of 5 Jul., even before the code word had been received, in order to save time. Upon receipt of the order of departure from Group North, the force kept to

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the island route, putting out to sea west of Rolfsoe, since the submarine danger was believed to be greater at Nordkyn and it was also believed that the uncertain mine situation in the Brei Sound would cause delay. The ship radio intelligence service intercepted sighting reports presumably from two Russian submarines, one north of Ingoe and the other north of Nordkyn; visibility reported excellent.

The proposal to repeat the run out of Alta Fjord was made after information had been received that the remnants of the convoy were still far north and that the enemy escort forces also remained west of 15°E when they learned that our task force moved out. The Fleet Commander's report pointed out that sailing through the island waters calls for great navigating and seafaring skill, particularly for the TIRPITZ. It also made mention of the favorable experience with the ship radio intelligence service whose information, supplementing that of the radio intelligence from Germany, gave the Fleet a clearer picture of the enemy situation than could be obtained by the authorities at home. For these reasons, and since the transmission of intelligence is inadequate for future operations, it is desirable that the Operations Staff be transferred to the vicinity of the operational area. In conclusion, the brief report again points out that the fact that the enemy detected the departure for operation "Roesselsprung" prematurely may have been partly responsible for dispersing the convoy and diverting parts thereof into the outermost northeastern Barents Sea, thus giving the submarines and planes the time and opportunity to destroy it piecemeal.

In its comments on the brief report, Group North criticized the fact that the task force used a different exit from the island waters than was planned, without reporting this change, as a result of which the operational command unnecessarily had the wrong impression as to the actual position of the task force. With reference to its rejection of the proposal to repeat the operation, Group North observes that the whereabouts of the heavy ships was not established for certain and that the situation, therefore, was not radically changed. Thus it was no longer justifiable to risk our valuable ships, in view of the fact that the convoy had been weakened and widely dispersed. Moreover, the destroyers would have run short of fuel if they had been sent far north.

In view of bad communications Group North considers the disadvantages that will result from a transfer of the operational command to the vicinity of the zone of operations as of greater consequence than the advantage to be derived from a better knowledge of the conditions by being in the area. Group North agrees with the conclusions of the brief report, stating that subsequent investigation has shown that it was correct from the standpoint of this particular operation (not to mention political and strategic implications) to break off the operation, since even without it almost a 100% success was scored. The operation could only have had a psychological effect, provided the ships would not have been forced to break it off later due to enemy action before establish-

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ing contact with the convoy. In conclusion Group North stresses the smooth manner in which the operation was carried out. The Naval Staff has no comments as to that.

II. As a result of the explosion of an ammunition dump in Rumania on 11 Jul., an Army fuel dump in the vicinity was likewise destroyed. In view of increasing enemy sabotage activity, the Armed Forces High Command, Operations Staff issued a directive to check all security measures and to increase them as far as the forces and available means permit. The Naval Staff, Quartermaster Division is taking further steps on behalf of the Navy.

III. For statement by the Naval Intelligence Division, Foreign Navies Branch concerning U.S. policy on bases, in accordance with the position taken on 18 Jun. 1942, with an outline review, see 1/Skl 24077/42 geh. in War Diary Part C, Vol. XVII.

Situation 12 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

Unconfirmed rumors are circulating in Ireland to the effect that the QUEEN MARY en route from America was sunk on 20 Jun. with 16,000 U.S. soldiers aboard.

South Atlantic:

The Naval Attache at Buenos Aires reports a rumor that all U.S. army fliers stationed in Brazil have been sent to Africa.

According to Italian reports 2 heavy ships and 16 cruisers and destroyers are anchored in Freetown. Two unidentified vessels and 2 corvettes are at sea in the Freetown area. According to the same source, on 4 Jul. 1 aircraft carrier and 1 cruiser are said to have been anchored in Capetown and 2 British cruisers as well as some 150 steamers in Durban.

The German consulate at Lourenco Marques reports the statement of a Spanish seaman of 9 Jul., according to which a number of ships with 35,000 British soldiers and war materiel aboard left Durban for Egypt on 4 Jul. Between 3 and 5 Jul., 14 steamers loaded with war materiel left Lourenco Marques for the Red Sea. Heavy caliber guns are said to have been unloaded in Mombasa.

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Indian Ocean:

At 1735 the British motor ship HAURAKI flashed a merchant raider distress signal (QQQ) from a position 17°32'S, 81°25'E (middle of the Indian Ocean) that she had been ordered to neave to. A quarter of an hour later the HAURAKI reported her capture by the Japanese. This may have some connection with the operation of ship "10". However, judging from the contents and type of the radio messages, this seems improbably.

2. Own Situation:

The Naval Attache at Tokyo transmits instructions of the Japanese Navy for the MADRONO'S entry into Batavia. Corresponding directive to the MADRONO rescinding the standing order, by Radiogram 1153 (see War Diary 11 Jul.).

The Naval Attache at Tokyo received a directive to send to Germany all prisoners of war belonging to any of the states not at war with Japan, such as Greece. These prisoners are to be sent to Germany on one of the next blockade runners. (See Telegram 2110.)

Radiogram 0614 informs all vessels in foreign waters concerning the successful camouflaging of the DOGGERBANK while she was laying a mine field and concerning her success in outwitting enemy air and naval forces she encountered (one coastguard patrol vessel, 1 BIRMINGHAM class cruiser and 1 auxiliary cruiser), and gives description of the auxiliary cruiser.

Further information concerning the question of Spanish restoration by Radiogram 0648.

Information concerning enemy situation by Radiogram 1901.

II. Situation West Area

1. Enemy Situation:

According to an intelligence report from a well-informed diplomatic source, contrary to their practice hitherto, the British have recently been spreading rumors systematically in Spain to the effect that they have been forced to abandon any large-scale invasion attempt due to a shortage of shipping space, if for no other reason. On the other hand, the Spanish intelligence service is in possession of information that a second front is imminent, probably in Normandy, involving large forces.

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Another report from a reliable diplomatic source contends that since 14 May 20 to 35 American planes, both bombers and long-range transport planes, are being flown to Great Britain daily. About half of these planes go to Russia without cargo and, for the most part, directly over Germany, at a high altitude. Independent of the above source, pilots and leading officials of the Pan American Airways confirm the total of 30 planes per day; in addition one transport ship with troops aboard is said to leave America daily for Great Britain.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

The "Zaunkoenig" mine-laying operation was carried out according to plan on the night of 11 Jul. The PT boats which had been scheduled to take part in this operation did not participate due to weather conditions. Mine-laying mission "Adria" has been set for the night of 12 Jul.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance disclosed heavy convoy traffic on the east coast of Great Britain. The normal amount of air reconnaissance in the northern North Sea.

Own Situation:

Four ground mines have been swept. Convoy duty is greatly curtailed due to weather conditions. The 3rd Torpedo Boat Flotilla's cruise to Cuxhaven and Flushing, whence it is to be transferred to the west area, has been postponed for 24 hours due to weather conditions. Mine-sweeping operations have also been cancelled for the most part. The "Kaspar" mine-laying operation (southwestern mine field) was started according to plan.

2. Norway:

Enemy Situation:

Unidentified code words radioed from a Russian station were intercepted at 1317.

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Own Situation:

On 10 Jul. lively enemy air activity in the area of the arctic coast. In addition to an air raid on the Kirkenes airfield (see War Diary 11 Jul.), Vardoe was bombed without damage. Enemy planes attacked a submarine chaser and the supply ship IDEAL on 11 Jul. Enemy air activity over Kristiansand South on 11 Jul. and over Stavanger on the morning of 12 Jul.

In the declared area off Harstad West, the cable layer LANDEGO struck one of our mines and sank. The vessel was proceeding under orders of the 483rd Army Coast Artillery.

Due to enemy reconnaissance at Kristiansand South, the KOELN and the ECKHOLDT have been transferred to the Oslo Fjord for the time being. They arrived there at 1605.

3. Arctic Ocean:

Nothing to report.

4. Special Items:

With regard to the question of command over the naval forces in the Norwegian area and to the distribution of these forces (see War Diary 9 Jul.), Group North decides that for the time being it is not planned to transfer the TIRPITZ and the HIPPER back to Trondheim since the threat of air raids at Narvik is no greater than there.

In view of the oil consumption involved, it would be undesirable to transfer the ships again to the north in the event of new operations. Group North is in accord with the proposal to have the Fleet Commander embark on the HELA. As regards the question of command over the forces, Group North points to its decision of 8 Jul. (see War Diary 8 Jul., Telegram 2349).

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Radio monitoring located 12 submarines at sea. According to air reconnaissance 5 destroyers or torpedo boats (probably an error in identification), 6 patrol vessels, and 5 submarines were anchored in the afternoon in the northern harbor of Lavansaari.

In the evening, 3 destroyers (see above) were sighted at anchor east of Lavansaari.

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2. Own Situation:

Convoy and patrol duty performed according to plan in the Baltic Sea entrances and in the western Baltic Sea.

Forces of the Commanding Admiral, Defenses, Baltic Sea in Aarhus fired on passing enemy planes, without any observable effect. For particulars bearing on the enemy air raids on Danzig and Schleswig-Holstein on 11 Jul., see Telegrams 0820 and 1130. It is altogether possible that the Sassnitz-Trelleborg area as well as Kiel Bay as far as the Flensburg Innenfoerde are mined.

In view of the shortage of escort ships, the measures adopted by Group North to meet the constant submarine menace in the Baltic Sea make it necessary, in an emergency, to fall back on torpedo boats of the Fleet as well as training and test vessels of the Second Admiral, Submarines, and vessels of the Inspectorates. These vessels are to be considered for assignment to operations only in case of need and by direct agreement of the stations involved, so as to interfere as little as possible with the test and training activities. All cruises by warships are to be utilized for naval missions. Copy of corresponding directive of Group North as per l/Sk1 24225/42 geh. is in War Diary, Part C, Vol. III.

On 11 Jul. the German motor schooner DORA sank in the channel of Gjedser. The cause has not yet been established. On the same date the Swedish steamer LULEA (5,600 GRT) with a cargo of ore intended for Germany was torpedoed and sank while in convoy in Swedish territorial waters off Vaestervik.

According to a report of the Swedish Navy, Swedish warships are furnishing escorts to merchant shipping between Landsort and Visby. These escorts are under orders to attack both submerged and surfaced submarines whenever it appears that they are likely to attack. The Russian Military Attache at Stockholm received a communication to that effect. (See Telegram 1601.)

Submarine patrol and mine sweeping activity in the Gulf of Finland proceeding according to plan. The mine field "Seeigel XIX" has been laid. Mine sweepers "18" and "16" made an attack, guided by oil slicks, and report the certain destruction of a submarine, taking as evidence fragments of equipment which came to the surface.

V. Submarine Warfare

1. Enemy Situation:

According to radio monitoring a British plane unsuccessfully attacked a submerging submarine at 0923 75 miles northwest of Cap Ortegal. No noteworthy reports were intercepted from the American coast and the West Indies.

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2. Own Situation:

In the Arctic Ocean, submarine U "376" unsuccessfully attacked an escort vessel in quadrant AC 6355. The fact that a large number of escort vessels has been located in this area, indicates that damaged ships of convoy PQ 17 are still at sea.

The sailing order for group "Wolf" has been changed. The group is not to leave until 15 Jul. at 0000. The steamer CORTONA (see War Diary 11 Jul.) was sunk while sailing in the convoy which had been spotted by submarine U "201" west of Madeira. Four other steamers of the same convoy, totalling 26,000 GRT, were sunk by submarines of group "Hai". Submarines U "116", "201" and "582" participated in the latter sinkings. Submarine U "136" which also belongs to this group has not complied with the request to give her position.

No reports of successes scored have come in from the American coastal waters or the West Indies. Serious apprehension is likewise being felt for the fate of submarines U "173" and U "215".

No noteworthy reports have been received from the Mediterranean.

VI. Aerial Warfare

1. British Isles and Vicinity:

Fighter bombers attacked and damaged 1 freighter and 1 escort vessel in the Channel. During the night 49 German planes laid mines in the Thames. During the night of 12 Jul., only coastal flights were observed over the German Bight, probably for the purpose of laying mines. Some 50 enemy flying missions were reported from western France.

2. Mediterranean Theater:

Raids on Malta airfields continued. The African Panzer Army was given support, centering on the left wing of the El Alamein front.

3. Eastern Front:

During 11 Jul. light forces attacked Novorossisk, Anapa, Tuapse and Tamanskaya. No noteworthy successes were observed. On the arctic front, the shipyard of Rosta was again attacked. Two hits were scored on the dry-dock.

4. Special Items:

a. The Commander in Chief, Air Force informed the Swedish Government through the Foreign Ministry that in view of numerous

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incursions made by British planes, German fighters will be sent into action in the Jutland area north of the Kolding-Esbjerg line, across the Skagerrak, into the area of southern Norway as far as Oslo. Hence, beginning the middle of July, all planes making night flights into the aforementioned area will be exposed to the danger of attack.

b. In accordance with the wish of the Foreign Ministry to avoid any incidents which might adversely affect the favorable turn of public opinion towards Germany, the Commander in Chief, Air Force, has dispatched a corresponding directive to the 5th Air Force and to the Commanding General, Air Force Group Command, Central Area. According to this directive, neutral vessels are to be attacked without warning only if it has been established beyond a doubt that they are inside the declared areas. (See Telegram 1315.)

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

Air reconnaissance did not obtain any noteworthy information. Radio monitoring reports that brisk submarine activity prevailed. A special British submarine operation is therefore believed to be in progress.

2. Own Situation:

Mediterranean:

On 11 Jul., enemy planes attacked Marsa Matruh in the afternoon and Benghazi in the evening. From 0030 to 0115 on 12 Jul., Marsa Matruh was heavily attacked by planes and **simultaneously bombarded by 3** destroyers. The harbor was cleared, since the BROOK was still ablaze, with an ammunition cargo aboard. The steamer STURLA which had put to sea was sunk by enemy destroyers brought to the scene by shadowing planes. The crew was saved by PT boats. Lastly, the tug MAX BEHRENDT was sunk on 11 Jul. during an enemy air raid on Tobruk. It is not yet known whether the enemy naval forces caused the loss of any other ships plying along the coast.

3. Transport of Supplies to North Africa:

Two Italian destroyers departed from Brindisi for Benghazi and Tobruk, carrying food supplies and Italian marines. Seven German naval barges are en route from Italy to Tripoli. The motor ships RAVELLO, APUANIA and UNIONE arrived in Benghazi during the evening of 11 Jul. The motor ship MONVISO and the steamer BIXIO left the

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latter place for Brindisi. Two Italian transport submarines which were bound for Marsa Matruh were escorted to Tobruk since it is at present too dangerous to unload at Marsa Matruh. The tanker HELLE is due to leave Suda for Tobruk on 14 or 15 Jul.

4. Area Naval Group South:

Aegean Sea:

The Candia net barrage has again been laid. Convoy duty proceeding according to plan.

Black Sea:

Enemy Situation:

Radio monitoring disclosed the presence at sea of 1 cruiser and probably 2 destroyers. Otherwise only little shipping traffic.

Own Situation:

The enemy staged a heavy air raid on Mariupol during the night of 11 Jul., causing heavy damage to materiel in the shipyard, to the coastal patrol flotilla, and to buildings. For particulars see Telegram 1945. Convoys proceeding according to plan.

VIII. Situation East Asia

Nothing to report.

IX. Army Situation

1. Russian Front:

Army Group A:

Continuing their advance our troops reached the area south and northeast of Voroshilovsk. On the left wing of this Army Group, south of Starobyelsk, the tank units crossed the Aidar River and advanced eastward. Advance units are 20 km south of Byelovodskoye.

Army Group B:

The southern wing of Army Group B is engaged in a battle for Byelovodskoye. Infantry units have reached the west bank of the Don

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along the entire sector. Staging a heavy attack with 200 tanks, the enemy broke through our positions at Voronezh and penetrated into the northern end of the city. The defensive front south of Yelets was broken through in a sector held by a panzer division. Counterattacks are in progress. According to prisoner of war statements and captured documents, 32 enemy tank brigades, with a total of 1800 tanks have been committed in the area between Voronezh and Livny since 28 Jun. Half of these have so far been destroyed.

Central Army Group:

In the Byelev area the enemy appears to be regrouping. Further attacks are expected. Enemy attacks southwest of Sukhinichi and west of Kirov were repulsed. A tank assault on the positions south of the highway in the Yukhnov area broke through our lines at one point. A move to seal off the break-through is under way. The pockets in the Byeloi area have been tightened further.

Northern Army Group:

Local skirmishes without any noteworthy effect.

2. Finnish and Norwegian Front:

No noteworthy engagements.

3. North Africa:

Our attacking troops succeeded in taking a dominating elevation at the point of penetration west of El Alamein following a bitterly contested battle, and the enemy was thrown back 4 km to the east. According to captured orders and prisoner statements, 4 battalions of the 9th Australian Division have been committed in the El Alamein position and 2 battalions in the Amiriya position further to the rear. The latter position is southwest of Alexandria.

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Items of Political Importance

France:

The French Government communicates that according to reports from abroad on 2 Jul. the British occupied the Mayotta radio station on the Comoro Islands in a surprise attack.

Great Britain:

Considerable comment was aroused in political circles when the Beaverbrook newspaper, The Daily Express, which hitherto had almost unreservedly supported the Churchill policy, made a complete about-face and called for immediate elections. In its May issue the periodical "Nineteenth Century" also launched a widely discussed and unusually severe attack on Churchill's military strategy. It is considered a most serious mistake not to have made every effort to defeat the Italian fleet at the very outset, which indicates that the Japanese and Italian navies were grossly underestimated. The second grave mistake was that too great importance was placed on bombing Germany, and the construction of fighter planes was neglected. On the other hand, in a speech Attlee described Churchill's position in this war as unassailable.

Egypt:

In a secret session of the Chamber, the Prime Minister declared that it is his desire to continue to keep the country out of the war and that King Farouk will not leave the country. For information concerning the serious encounter between King Farouk and the British Ambassador, see Political Review, No. 161, Paragraph 7.

Japan:

According to a German official news agency (DNB) report, the Japanese military administration on the island of Sumatra is being replaced by a civilian administration.

Conference on the Situation with the Chief, Naval Staff

I. The Chief of Operations Division, Naval Staff, Foreign Affairs

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Section reports as follows: One steamer has started the delivery of provisions to the Antilles. The French Government requested permission to have two additional steamers for the same purpose. Concerning the French ships at Alexandria: The Italian Armistice Commission, France, rejected in sharpest terms the request for granting the ships entry into Piraeus or a harbor on Crete, proposing that the port of Navarino be used for the purpose. Replying to Admiral Wever, General Cavallero is said to have referred to the Duce directive. He reports further concerning the French request to enter into negotiations with the U.S. Government in the matter of provisioning the French part of Madagascar; also concerning the settlement with Argentina of the RIO TERCERO incident, and concerning the last voyage of the diplomatic exchange ship DROTTNINGHOLM from New York to Lisbon and back. The Foreign Ministry had originally intended to transport some 600,000 people from America. The Chief, Naval Staff states in this connection that the fact that the ship will make no further voyages of this kind should not be blamed on the Navy.

A more detailed account of all items covered in the report by the Chief of Operations Division, Naval Staff, Foreign Affairs Section is in War Diary, Part C, Vol. VIII.

II. The Military Attache reports that the Naval Attache at Tokyo is shipping home about 100 tons of copper for the Navy with the next blockade runners. Another report states that the invasion drill in the Scheldt in the presence of Japanese officers took place without any special incidents.

III. Report of the Chief, Naval Staff Intelligence Division concerning Vatican peace efforts. Secretary of State Hull replied to Vichy that peace is out of the question as long as Hitlerism has not been destroyed.

In a very restricted circle:

IV. Report of the Chief of Operations Branch, Naval Staff Operations Division as follows:

a. Concerning directive of the Armed Forces High Command, Operations Staff regarding measures for defense against enemy landing in the western area; including the 6th Corps Area in the defense area. See memorandum in War Diary, 11 Jul.

b. Concerning Fuehrer Directive No. 43 of 11 Jul. with reference to the continuation of the Crimean operation:

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(1) The next task of the 11th Army is to complete, no later than by the beginning of August, all preparations for the main body of its troops to cross the Strait of Kerch. The object of this crossing is to advance in a southeasterly and easterly direction on both sides of the western foothills of the Caucasus (operation "Bluecher").

(2) Instructions for the operation:

In accord with the recommendations of the 11th Army the crossing is to be so organized that the strongest possible units will land in the rear of the enemy coastal fortifications. The hilly terrain north of Novorossisk must then be captured. The ports of Anapa and Novorossisk are to be occupied, thus eliminating these two bases of the enemy fleet. (This is followed by instructions for the continuation of the operation and orders regarding the allocation of medium and heavy artillery.)

(3) The Navy is hastening to take all measures to make available the necessary shipping space, as specified in a more detailed Army request.

In addition to ships already available and those due to arrive in the Black Sea and the Sea of Azov, other suitable ships are to be acquired by charter or purchase from Bulgaria and Rumania, in order to meet requirements.

During the operations proper the Navy is to give support to the landing troops for the crossing and to use the forces at its command to prevent the enemy fleet from interfering.

The naval forces assigned to the transport of the landing troops are to be placed under the command of the 11th Army for the crossing.

(Note by the Naval Staff: Thus, for the time being, PT boats, motor mine sweepers, and submarines are not to be put under the 11th Army. See 1/Skl 1290/42 Gkdos. Chfs. of 9 Jul., Paragraphs 4 and 5.)

(4) This paragraph contains instructions for the Air Force.

(5) The enemy is to be led to believe that heavy units of the 11th Army are being transferred from the Crimea to the area north of the Sea of Azov. To this end a great northbound transport movement

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should be staged by foot and rail, while the troops for operation "Bluecher" should be moved at night.

The Army High Command will support this dummy operation with suitable action.

(Note by the Naval Staff: All appropriate measures must also be taken in the naval area in order to maintain secrecy and to conceal the planned operation.)

(6) This paragraph contains orders for a special operation (Sabotage Section, Intelligence Division, Armed Forces High Command).

(7) The Army General Staff will work out the details for the preparation and execution of the operation jointly with the Navy and the Air Force. The Fuehrer ordered that he is to receive continual reports through the Armed Forces High Command, Operations Staff, as to the status of the preparations (the furnishing of shipping space) and with regard to the commitment of forces.

The Naval Staff charged Naval Group, South with the preparations for operation "Bluecher" on behalf of the Navy. Naval Group, South is to keep the Naval Staff constantly posted on all measures taken and planned.

The Naval Staff, Quartermaster Division was ordered to carry out that portion of the Fuehrer Directive which deals with furnishing the necessary shipping space by the Navy. This directive was accompanied by an express statement that for reasons of secrecy and concealing the operation, the number of persons sharing the information is to be restricted to as few as possible.

For reference to the first measures already ordered by the Naval Staff, on the basis of oral instructions concerning operation "Bluecher" transmitted through the Army General Staff, see War Diary 9 Jul. as per 1/Skl I op 1290/42 Gkdos. Chfs.

The Chief, Naval Staff agrees with the measures adopted.

c. The Chief of Operations Branch, Naval Staff Operations Division further reports on the extract from the War Diary of the DOGGERBANK as per War Diary of 8 Jul.

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The Chief, Naval Staff agrees with the recommendation of the Naval Staff Operations Division that the German Cross in gold be conferred on the captain of the DOGGERBANK, Lieut. Schneidewind. Copy of corresponding recommendation to the Naval Personnel Division as per 1/Skl I K 17035/42 Gkdos., in War Diary, Part C, Vol. I.

Special Items:

I. On 11 Jul. the Japanese Naval Staff advised the Naval Staff Operations Division through Commander Taniguti, the liaison officer attached to the Naval Staff, that operations of the Japanese fleet will take place in the Indian Ocean from the middle of July to the end of August. The Japanese Naval Staff also requested that the German raider operating in the agreed zone of operations should be withdrawn to a line west of 70° E.

On the same day the Naval Staff communicated a counterproposal to the Japanese Naval Mission with regard to limiting the zone of operations of the German raider. This counterproposal provides for shifting the present northern boundary of the zone of operations to 20° S, and if necessary also the eastern boundary from 110° E to 100° E. Copy of the proposal 1/Skl Ik 16913/42 Gkdos. in War Diary, Part C, Vol. XV.

At the request of the Japanese Naval Attache the matter was discussed orally with the Naval Staff Operations Division on 13 Jul. and the following was agreed upon:

1. The Naval Staff orders the raider to withdraw at once to the zone of operations agreed upon, namely, west of 80° E.
2. The Japanese Naval Attache is submitting to the Japanese Naval Staff a proposal to assign a new zone of operations to the raider, namely between 80° and 70° E, and 20° and 40° S.
3. Should the Japanese Navy reject this proposal, it is requested that the raider be granted permission to operate in a zone west of 70° E and south of 25° S up to a distance of 400 miles from the coasts of Africa and Madagascar.
4. The Naval Staff requests that upon the termination of the Japanese operations German raiders again be permitted to operate in the zone hitherto in effect by mutual consent.

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Copy of the minutes of the conference as per l/Skl I k 1329/42 Gkdos. Chefs. in War Diary, Part C, Vol. XV.

In accordance with the above, ship "10" received instructions by Radiogram 1843: "Shift the zone of operations west of 80° E at once, Reason: The commencement of extensive Japanese operations in the eastern waters of the Indian Ocean. A further shift to the west is to be expected. Negotiations with reference to same are now under way with the Japanese Navy."

II. Information concerning the effects of our mine-laying during the month of May 1942, as per l/Skl I E 16010/42 Gkdos. is in War Diary, Part C, Vol. VI.

Reference is made to successes scored in the DOGGERBANK mine-laying operations.

III. Report of the Naval Intelligence Division, Foreign Navies Branch concerning the fueling of the Russian Arctic Ocean fleet and of the northern harbors and shipyards; concerning the probable strength and composition of the Russian flotilla on Lake Ladoga; as well as concerning the five-year plan for arming the Swedish army in Report No. 33 of News Analysis, Foreign Navies.

Situation 13 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

Two British mine-sweeper corvettes en route from the British Isles to the Indian Ocean (new ships with Indian crews) arrived in Ponta Delgada on 10 Jul.

According to an intelligence report, 22 transport ships, carrying 61,000 U.S. troops and war materiel and escorted by the RODNEY, the NELSON and 2 cruisers, are said to have reached Freetown on 3 Jul.

Indian Ocean:

According to an Italian report, since 5 or 6 Jul. a convoy escorted by British and American ships has been en route from Mombasa to Australia.

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2. Own Situation:

Ship "10" was informed by Radiogram 1228 concerning the merchant raider distress message from the steamer HAURAKI from her position at 17° 32'S, 80° 25'E telling of her capture by the Japanese; judging from the text and the repetition of the distress message, the Naval Staff considers it hardly probable that it has anything to do with a possible operation of ship "10". Radiogram 1228 also informed ship "10" that prize crews are being sent on the UCKERMARK.

The complaint about the incomplete and infrequent transmission of information concerning the plans of the Naval Staff, which according to report of the Naval Attache has been expressed in the letter from the commander of the DOGGERBANK, was brought about by operational circumstances. The Naval Staff was obliged to wait until it could learn the effect of the first mine-laying mission. The delay in the transmission of orders arose from the necessity to base decisions on data which had some degree of certainty. The Naval Staff was fully aware to what extent these unusually long waiting periods must have taxed the patience of the commander and the crew and highly appreciates the perseverance of the DOGGERBANK.

Radiogram 1357 communicates the above to the DOGGERBANK, acknowledging receipt of extract from War Diary through the Naval Attache in Tokyo, and promising further instructions.

Directive to ship "23" by Radiogram 1504:

"1. After replenishing supplies operate either north or south of waiting zone.

2. After supply operation the SCHLIEMANN is to take up her station in the southern part of the waiting zone, unless it is necessary to release her at once."

The Naval Attache at Tokyo receives instructions to inquire of the Japanese Navy whether it agrees to allow the German raider to operate during the winter in the southern Pacific, approximately in the area south of the equator and east of 140° W. (See Telegram 1430.)

Information concerning enemy situation by Radiograms 1816 and 2319.

Special Item:

According to a report of the German Armistice Commission, France dated

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11 Jul., the French auxiliary cruiser QUERCY and 1 submarine will leave Dakar on 17 Jul. for a rendezvous with the tanker NIVOSE on about 27 Jul. between 12° S and 14° S at 24° W. The Commanding Admiral, Submarines and Group West have been sent the same communication directly. (See Telegram 1300.)

II. Situation West Area

1. Enemy Situation:

According to information obtained in the prisoner of war transit camp of the Air Force, the testimony of the agent indicates that invasion plans have been deferred for the present. Instead of an invasion there is the likelihood in the near future of sabotage on a wider scale, to be carried out by paratroopers in the occupied western territories.

Such a possibility must on no account be dismissed, since the enemy will make extraordinary efforts to destroy our submarine bases.

According to air reconnaissance, there was brisk convoy and steamer traffic in the Channel. What appeared to be 20 landing craft were sighted on the shore between Hastings and Boxhill.

In the afternoon and evening, radio monitoring located in the Channel 3 vessels, namely, 1 flotilla leader and 2 vessels of unidentified type; also 9 warships and 6 crash boats. Also about midnight radio monitoring intercepted 4 messages relating to the spotting of a German force in the area of South Foreland. The motorship MARETTA, at a position east of South Foreland, received an order, probably to lay mines.

2. Own Situation:

Atlantic Coast:

On the night of 12 Jul. enemy planes flew over St. Nazaire with the probable objective of mine-laying. The Loire estuary is temporarily closed to shipping. Two ground mines were swept, one in Quiberon Bay and one off Lorient.

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Channel Coast:

During the night of 12 Jul. the mining operation "Adria" was carried out according to plan in Baie de la Seine. During the same night, between Gravelines and Dunkirk, three enemy PT boats staged two unsuccessful attacks on a harbor patrol vessel. In the afternoon an enemy air raid was carried out on traffic installations near Boulogne. No military damage was sustained.

In the evening the 2nd PT Boat Flotilla was placed on 2-hour readiness for a torpedo mission.

The mining mission "Suedsee" (dummy mine field) is scheduled for the night of 13 Jul.

Special Items:

At the request of the Chief of Operations Division, Naval Staff, the Naval Staff Hydrographic and Meteorological Division prepared diagrams, according to which the most probable dates for enemy invasion attempts on the French Coast can be determined, based on conditions prevailing at a particular time (twilight phase of the moon, tides, and currents).

Naval Group West, the Naval Liaison Officer at the Army General Staff the Naval Liaison Officer at the Air Force Operations Staff and the Naval Representative with the Armed Forces High Command, Operations Staff will receive these diagrams each month, until further notice.

One copy for the month of July, as per 1/Skl I op 23913/42 geh. in War Diary, Part C, Vol. II a (Appendix).

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

Enemy air activity over the German Bight on the night of 12 Jul. Mine-laying suspected.

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The mining operation "Kaspar" (southwestern mine fields) started according to plan. Four torpedo boats of the 3rd Torpedo Boat Flotilla sailed from Cuxhaven to Rotterdam. Mine-sweeping again limited due to weather conditions. Convoy missions and sweeping of routes proceeding according to plan.

2. Norway:

On 12 Jul. four aerial torpedoes were dropped on a convoy off Tanahorn, without effect. Brisk enemy air activity around the Arctic and North Norwegian coasts on 12 and 13 Jul. No special damage reported. A fire which broke out in the shipyard basin on 12 Jul. as a result of oil leakage was quickly extinguished. There is no suspicion of sabotage.

The destroyers FRIEDRICH IHN, KARL GALSTER, and Z "24" arrived in Kristiansand South.

The cruisers KOELN and ECKOLDT left Oslo at 1700. Thus the transfer of the KOELN to the north (operation "Auerhahn") has been started. The FRIEDRICH IHN and Z "24" are providing escort.

3. Arctic Ocean:

Enemy Situation:

According to air reconnaissance, a total of 18 merchantmen totalling about 60,000 GRT and a 1,500 GRT tanker were anchored in Kola Bay on 12 Jul. No tactical information obtained by naval reconnaissance in the Arctic Ocean.

Own Situation:

Submarine U "255", which is returning to base, sank the Dutch steamer PAULUS POTTER (7,168 GRT) with her cargo of planes in quadrant AC 3437. The steamer had been abandoned by her crew. She was heavily armed and belonged to the Dutch government in London. Submarine U "376" sighted a boat with 17 survivors of the sunken U.S. steamer CARLTON in AC 2871.

This probably represents the last success in the fight against convoy PQ 17. Thus the number of ships disposed of by submarines rises to 16 with a total tonnage of 113,963 GRT. Twelve of these ships have been identified by name. The confirmed Air Force total is 20 ships,

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representing approximately 131,000 GRT. Hence at the very most only 1 or 2 vessels of convoy PQ 17 might have reached port.

The Admiral, Arctic Ocean submits an exhaustive report from the commander of submarine U "334" concerning the sinking of a heavy American cruiser on 4 Jul. The Naval Staff shares the view expressed by Group North that, judging from this report, it does not appear unlikely that the cruiser was sunk although it is still up to the 5th Air Force to prove it. Copy of the report as per 1/Skl 17040/42 Gkdos. in file on operation "Roesselsprung".

IV. Skagerrak, Baltic Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

The ore ship KAETE (1,865 GRT) sank 8 miles east of Sassnitz following the detonation of a depth charge, probably a mine. No report on the situation has as yet been received from the Commander, Mine Sweepers, Baltic Sea.

V. Submarine Warfare

1. Enemy Situation:

According to radio monitoring, the MALAYA was at sea in the Freetown area in the forenoon of 13 Jul. probably en route from Freetown to Capetown.

At 1215 a submarine intercepted a message of the shelling of the British steamer SAGAING (7,968 GRT) in AK 3653.

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A special warning issued on the American coast announces that a mine field has been laid off the entrance to the harbor of New London. According to radio monitoring on 13 Jul. an HX convoy was proceeding some 100 miles southeast of Cape Breton on 65° course at a speed of 9 knots. Several submarine-sighting reports were intercepted from the West Indies.

2. Own Situation:

For report on the sinking of the steamer PAULUS POTTER see Situation, Arctic Ocean.

It appears that the convoy which was sighted west of Madeira broke up into sections. Contact was further maintained with the eastern section. A shadower reported this section of the convoy as consisting of 5 steamers, preceded and followed by escort vessels. Contact with the western section of the convoy was lost because of darkness. Group "Wolf" made contact with a north and westbound convoy in quadrant AK 6242. Due to heavy seas and low visibility this contact could be maintained only with difficulty up to about midnight and then was lost.

In the West Indies submarine U "67" sank an anchored tanker of 8,000 GRT, and torpedoed another tanker of 10,000 GRT. The latter was left ablaze and sinking. Submarine U "84" reported sinking a 7,500 GRT steamer in the Florida Strait. Submarine U "575" reported sinking the steamers PORTLAND (2,648 GRT) and INANDA (5,985 GRT).

In the Mediterranean, submarine U "562" intercepted a 4-steamer convoy in quadrant CP 5666, and two torpedo hits were scored on a 5,000 GRT steamer.

Special Items:

While the submarine losses sustained in achieving the great successes of the past months were gratifyingly small, serious concern is felt at this time for the fate of 7 submarines. A report has already been made concerning U "502" and U "158". No reports have come in from submarine U "153", U "701" and U "215" in the American zone of operations. Group "Hai" is apprehensive of the fate of submarine U "136" and, lastly, submarine U "157" also appears to have been lost.

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Further particulars in Supplementary Submarine Situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

No noteworthy occurrences during the day. In the night of 13 Jul. twenty to twenty-five enemy planes carried out missions over the Ruhr, with Duisburg as the main target. For damages inflicted see daily situation report.

The enemy lost 3 planes during flights over the coastal waters of the German Bight apparently with the object of laying mines.

2. Mediterranean Theater:

Attacks on Malta and support to the African Panzer Army continued.

3. Eastern Front:

On 12 Jul. Air Force operations centered on the Voroshilovgrad-Kamensk area, on positions facing our Army spearheads, on the middle Don sector and on the northwestern wing of the front, for the purpose of assisting our defensive operations. During these operations 62 tanks and numerous motorized vehicles were destroyed or damaged.

A total of 108 enemy planes was shot down and 15 other planes were destroyed on 12 and 13 Jul.

4. Special Items:

To strengthen the anti-aircraft defenses against low-level attacks in Germany proper, it is necessary that units of the Armed Forces set up anti-aircraft machine gun posts so as to protect their quarters and other installations. A corresponding directive

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is issued by the Armed Forces High Command, Operations Staff, Air, wherein the Commander in Chief, Air Force is requested to give the orders necessary to integrate the anti-aircraft machine gun posts into his over-all anti-aircraft defense system (see Telegram 1930).

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

According to air reconnaissance, the situation in this area is generally unchanged. At 1150, 2 destroyers, 5 escort vessels, 2 steamers, and 1 tanker were anchored in Valletta.

2. Own Situation:

Mediterranean:

For success scored by a submarine in the Beirut area, see Submarine Warfare.

An enemy naval attack on Marsa Matruh and on coastal shipping, carried out on the night of 11 Jul., impelled the German Naval Command, Italy again to request of the Italian Admiralty assignment of additional Italian forces for action in the eastern Mediterranean.

Result:

1. The transfer of an Italian cruiser division from Maverino to Suda or to Leros is not contemplated for the time being since the Italian approach route is too long in comparison with that of the British. The Italian vessels would always arrive too late. Owing to the fuel situation, it is not possible to remain at sea in order to counteract this situation. The reference made by the German Naval Command, Italy to the resultant strategic effect fell on deaf ears. It is planned to increase the division to 5 **cruisers** and then to reconsider a transfer to the east.

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2. It is planned to send an Italian PT boat flotilla (8 submarine chasers and 6 PT boats similar to the German type PT boats) to North Africa within the next few days.

3. In Tobruk there are four 12 cm guns at present and nine 15 cm guns are to be ready for action on 16 Jul. A number of 7/6 cm and 10.2 cm guns are due to be installed at Marsa Matruh.

4. It is planned to carry on coastal shipping only during the day, with air escort if possible, providing that Italian forces and forces of the Commanding General, Armed Forces, South are available.

The Commanding Admiral, German Naval Command, Italy made the necessary arrangements with the Commanding General, Armed Forces, South for sea reconnaissance in the eastern area.

In view of the repeated and urgent representations of the Naval Staff with regard to the mining of the Strait of Sicily, the Italian Admiralty is contemplating laying a mine field in the near future. The mine field, as proposed by the Italian Admiralty to the Italian High Command, is to run as follows:

South of Cape Bon in the territorial waters south of mine field S 11, running east to west. It is to have a 1,300 m wide gap off the coast and to be composed of two rows. One row is to comprise 104 and the other 122 Italian mines. Fifty of these mines in each row are to be provided with an anti-sweeping device.

The mine field is to be laid from Trapani by 1 destroyer and 1 converted torpedo boat.

The Naval Staff considers it best to provide all mines with anti-sweeping device. Corresponding suggestion to the German Naval Command, Italy.

3. Transport of supplies to North Africa:

According to a report from destroyer "ZG 3", enemy planes repeatedly attacked the "Siena" squadron unsuccessfully with bombs and torpedoes on the night of 9 Jul. while the squadron was en route from Suda to Tobruk. One attacking plane was shot down and another plane crashed.

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The steamer DELOS was considerably damaged during an enemy air raid on Tobruk on the night of 11 Jul. The cargo was not damaged and the ship is afloat.

The steamer AMSTERDAM and the tanker P.C. FASSIO arrived in Tripoli on 12 Jul. according to plan. The motor ships MONVISO and BIXIO are each transporting 3,000 prisoners of war and captured tanks from Benghazi to Brindisi. Three naval barges and 3 auxiliary sailing vessels operating in coastal supply traffic arrived in Marsa Matruh in the morning of 12 Jul. The steamers CITTA DI AGRIGENTO and JAEDJOR left Tobruk for Marsa Matruh. Cargo unloaded on 11 Jul. in Tobruk - 800 tons, in Marsa Matruh - 430 tons; on 12 Jul. at the latter port 474 tons.

Special Items:

The Armed Forces High Command, Operations Staff, Army transmits Fuehrer Directive with regard to further reinforcement of the African Panzer Army:

(1) The German Africa Corps, the 90th Light Division and the line troops of the African Panzer Army are to be raised to their full strength with respect to men and materiel and maintained at that level. This applies particularly to their complement of tanks and anti-tank weapons.

(2) The following are to be furnished to the African Panzer Army from the area of the Commanding General, Armed Forces, Southeast by air transport if possible:

a. The 433rd Infantry Regiment from the Salonika area: The regiment is to be promptly supplied with additional anti-tank weapons, particularly heavy guns, as well as armor-piercing ammunition to go with them (**hollow-charge** projectiles and stick hand grenades). A report is to be submitted concerning the amount of additional equipment received.

b. The staff of an artillery regiment (motorized). An artillery regiment staff (motorized) from the Crete fortress division is being made available for this purpose.

(3) The requested organization of a corps headquarters staff and 2 divisions for the occupation of Egypt will not be carried out. In the event that such occupation troops become necessary they must

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be furnished by Italy.

(4) The transport of the above is to be coordinated with the current movement of supplies to the Panzer Army on a priority basis, by arrangement with the Panzer Army.

Copy as per l/Skl 17069/42 Gkdos. in War Diary, Part C, Vol. XIV.

4. Area Naval Group South:

Aegean Sea:

For brief report from destroyer "ZG 3" concerning escort for the "Siena" convoy on 9 and 10 Jul., see Telegram 1130.

Convoy duty and transport of supplies according to plan and without noteworthy incidents.

Black Sea:

Enemy Situation:

Air reconnaissance observed 3 merchant vessels and 16 escort vessels leaving Tuapse and ascertained that the number of small vessels in the Sea of Azov, namely motor mine sweepers and PT boats, has considerably increased. The 20,000 GRT of shipping which had been reported in Gelendzhik on 8 Jul. did not appear in today's photo reconnaissance.

Own Situation:

The Commander of Motor Mine Sweepers in the Crimea landed agents, prisoners of war, and shock troops between Cape Fiolyent and Khersones with motor mine sweepers and naval barges. One hundred and eleven prisoners, among them a commissar, staff officers, and women, were brought in. Twenty-nine Russians who resisted were shot.

An enemy submarine, which had been attacked by our planes 85 miles southwest of Sochi on 11 Jul., was again attacked by our planes with depth charges while she was grounded in the same position. She evidently received a direct hit and her loss appears certain.

Convoys proceeding according to plan.

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According to latest information, Turkish passenger ships are forbidden to sail into the Aegean and Black Seas.

The Commanding Admiral, Naval Group South reports a dispute with the commander of an Army coastal artillery unit and the Commander, Armed Forces, Ukraine concerning installation of a searchlight in the area of the Admiral, Black Sea. The dispute arose in consequence of Fuehrer Directive No. 40 (see Telegram 1619). The matter is to be attended to by the Naval Staff Quartermaster Division.

See Telegram 1129 for the report of Group South concerning the exchange of telegrams between the Admiral, Black Sea and Rear Admiral Georgescu, prompted by the acknowledgment in the report of the Armed Forces High Command of the contribution of the Rumanian navy in the fight for Sevastopol.

VIII. Situation East Asia

The German Consul General at Peking gained the impression from his conference with his friend General Arisue; the Commanding General of the Japanese army in north China; and the latter's Chief of Staff, that the Japanese operations in the south can be considered terminated for the time being. There is a strong belief that an attack will be launched against Russia. The first thrust seems to be planned from the Mongolian area in the direction of Lake Baikal. This is to be followed by an attack on Vladivostok. The Chief of Staff declared that so far the navy has borne the brunt of the fight to this point, whereas the decisive role henceforth devolves on the army. The troops held in readiness display excellent morale as regards the conflict with Russia.

IX. Army Situation

1. Russian Front:

Southern Army Group:

Army Group A:

The troops reached the Ivanovka-Voroshilovsk railroad. The enemy is offering stubborn resistance. Continuing its advance to

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the east and southeast, the panzer divisions of the 1st Panzer Army reached the line of Verkhne Teploye-Voloshino, with Tarasovka as its goal.

Army Group B:

On the Don front engagements are being fought only northeast of Boguchar and in the area of Svoboda. Our troops crossed the Kamishnaya River. Panzer divisions (according to air reconnaissance reports) in their advance to the southeast reached Degteva and Gusev, with Kamensk as their goal. Southeast of Svoboda our forces advanced to the bend of the Don.

Enemy assault actions near Voronezh and in the Yelets area, without permanent effect.

Central Army Group:

The enemy staged only weak assaults on the Byelev-Kirov battle front. Enemy assaults in the Yukhnov area proved fruitless.

Northern Army Group:

No noteworthy actions.

2. Finnish and Norwegian Front:

Enemy artillery repeatedly shelled the island of Someri without success and enemy planes carried out raids. Local enemy assaults were repulsed on the Karelia Isthmus. Brisk motor traffic in the Murmansk sector and on the Rybachi Peninsula, without any noteworthy engagements.

3. North Africa:

On the northern sector, despite the use of all our available air and artillery forces, our attack against the southeastern front of the El Alamein stronghold failed against defenses in depth, fortified with concrete pill-boxes and mines, combined with artillery fire.

Launching an assault on the southern wing, our troops threw the enemy back to the east. A dominating elevation was taken and the front was advanced about 10 km.

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Items of Political Importance

France:

The De Gaulle "Free French" movement is renamed "Fighting French" on the occasion of the observance of Bastille day.

Norway:

For the report of the Commanding Admiral, Norway concerning the domestic situation in Norway see Political Review, No. 162, Par. 1.

Great Britain:

According to an Italian report, important differences arose in Iran between the Russians and British with regard to the division of the American war material delivered through Basra. It goes without saying that the British are at this time greatly interested in this material for use in Egypt.

Russia:

In reply to the Swedish protest, the Russian authorities reiterated that the steamers ADA GORTON and MARGARETA were not sunk by a Russian submarine.

According to a report of a Greek diplomat, the transfer of the government from Kuibyshev to the east is being considered.

Conference on the Situation with the Chief, Naval Staff

Report of the Naval Ordnance Division, Underwater Obstacles Branch concerning the results obtained from the experimental mine field "Kunigunde" (laid by the KOELN):

Observation of the behavior of the standard mine type F after it has been laid and over a short period thereafter warrants its being certified for operational use and no limitations should be imposed as far as its use for defensive purposes is concerned. For offensive missions it must be provided with a safety gear (apparatus causing it to sink noiselessly and automatically when on the surface.)

The Chief, Naval Staff agrees.

Another test with submarine U "118" will have to be made before a decision can be reached on the rack mine, type A (SMA).

Otherwise no noteworthy reports or decisions.

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Special Items:

1. According to a report of the Foreign Ministry, the Reich Foreign Minister approved the proposal of the French government to add 2 more ships to increase the shuttle-traffic between Martinique and the U. S. under conditions governing this traffic up to the present. The approval was granted by agreement with the Armed Forces High Command and the Naval High Command (see War Diary 13 Jul.) Further details in War Diary, Part C, Vol. VIII.

II. The German Armistice Commission, France communicates to the Armed Forces High Command, Operations Staff the reasons given by the Italian High Command for refusing the French naval forces in Alexandria permission to enter Piraeus. These reasons are listed as follows:

1. There is a possibility that in connection with the events in Egypt Italian ships (1 battleship and 3 cruisers) may have to go to Piraeus.

2. In answer to an inquiry, the Commanding Admiral, Aegean Sea replied that 3 cruisers could be accommodated at once and the battleship within a few weeks at the earliest.

3. As a result of what is stated under Par. 2, it follows that there could be no room for the French ships.

4. The Commanding Admiral, Aegean Sea doubts whether the French would be familiar with the approach routes which have been changed only recently.

5. The Duce shares the opinion of the Italian High Command.

The German Armistice Commission, France adds that the engineer in charge (I.V.D.), on being asked, admitted that there is no fuel for the French at Leros and Navarino (see Telegram 1345).

Group South and the German Naval Command, Italy state in reference to the above:

Up to the present moment, the question of the transfer of Italian naval forces to Piraeus has never come up for discussion during conferences with the Italian Admiralty and with the Italian High Command (see Telegram 2025 of the German Naval Command, Italy); furthermore, the engineer in charge (I.V.D.) errs in his opinion inasmuch as the French ships do not take away the accommodations provided for 1 battleship and 3 cruisers. It is intended to anchor the French ships in the roadsteads where there is ample space.

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There is no objection against bringing the French ships into the harbor along routes familiar to merchant traffic. (See Telegram 2025 from Naval Group South.)

Thus, the reasons given by the Italians do not hold water. What the Italians really want is evidently to see the French ships paralyzed, if possible by an oil shortage, in the Italian zone. The Italian attitude may also be explained in part by their hope, expressed on occasion, that somehow this situation might cause the French to break the armistice agreement, thus giving the Italians the desired opportunity to carry out at last their plans of attacking Bizerte and other places.

This cannot affect the position of the Naval Staff. It will be submitted once more to the Armed Forces High Command.

III. In answer to an inquiry by the Armed Forces High Command, Operations Staff, Navy about the dates on which the enemy is most likely to make landing attempts in the Channel, the Naval Staff replies as follows:

1. The Naval Staff would time the landing so that the following conditions would be satisfied as far as possible:
 - a. Little current.
 - b. Rising waters, about 1 or 2 hours before high tide.
 - c. About 2 hours before daybreak.
 - d. Not on a dark night; half-moon phase.
2. In the opinion of the Naval Staff it is uncertain whether the enemy is likewise seeking the same conditions for a landing. Thus a landing might take place when the waters are receding, if their training has reached a point where they can unload rapidly. The Japanese try to stage their landings during the early hours of the night so that the main body of the first wave is on land before dawn breaks. However, this type of a landing calls for thorough practice. Be that as it may, the enemy will set the time of his landing primarily in accord with his overall plan (employment of air-borne troops, primary objectives, etc.).
3. The conditions mentioned under paragraph 1 prevail in the Baie de la Seine from Cap d' Antifer to Carentan on the following dates: 5 to 7 Jul., 4 to 6 Aug., 4 to 5 Sep. The dates vary substantially for other areas. They change particularly as conditions enumerated under a to c change.

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IV. In accord with the directives of the Naval Staff for strengthening coastal defenses in Norway (see War Diary 10 Apr.), the Commanding Admiral Norway submitted an exhaustive program on 11 Jun. 1942, after a detailed study of all pertinent measures.

With regard to the assignment of naval forces, (as per paragraph III, 1 of the Naval Staff directive) the Commanding Admiral, Norway, considering the actual situation, decides to await transfer of additional escort forces after the situation in other sectors has become less critical; in the meantime he will utilize all forces under his command to the greatest possible extent.

The Naval Staff has no comments to make with reference to the above. As regards the use of mines and of other means of naval warfare along the coasts (Par. III, 2 of the directive), the Commanding Admiral, Norway will request the replacement and strengthening of mine fields as and when the need arises. A total of 1,500 standard mines type C and 1,500 anti-submarine mines type B is expected to be used in 1942.

The Chief of the Operations Division, Naval Staff will bear this point in mind.

With reference to the assignment of other means of naval warfare, the Commanding Admiral, Norway suggests that a series of net and boom barrages be used for the protection of harbors and fjords. These are approved by the Chief of Operations Division, Naval Staff. The Naval Staff Quartermaster Division will attend to further details insofar as possible.

The Chief of the Operations Division, Naval Staff approves the request for installation of 5 new torpedo batteries (very urgent) and 3 new torpedo batteries (urgent). This would beyond doubt greatly strengthen the coastal defenses. The Naval Staff Quartermaster Division is to be charged with carrying out this request if possible.

Installing new coastal batteries and shifting those on hand requires planning on a very large scale. These batteries are to be emplaced in a similar manner to those on the Westwall and call for the following:

- 7 batteries of a higher than 21 cm caliber.
- 22 batteries, with four 15 or 17 cm caliber guns per battery.
- 8 radar sets (for naval purposes).
- 65 150 cm searchlights for sea targets.
- 26 8.8 cm anti-aircraft 1/2 batteries.
- 84 4 cm anti-aircraft batteries.
- 196 2 cm anti-aircraft batteries.
- 75 150 cm anti-aircraft searchlights.

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70	60 cm anti-aircraft searchlights.
72	3,000 m depth charge throwers
84	600 m depth charge throwers.

In addition, the Army coast artillery is to be equipped with naval instruments.

The Commanding Admiral, Norway is himself aware that this "maximum" program can be carried out only step by step as a long-range process.

The Chief of the Operations Division, Naval Staff also regards these requests as a step in the right direction. Actual circumstances will determine how much material can be allocated. The northern fortifications will have priority over the southern.

Further steps will be taken by the Naval Staff Quartermaster Division, which has received the plan along with the comments of the Operations Division, Naval Staff.

The Chief, Naval Staff ordered the Naval Staff Quartermaster Division to submit a report as to how much of the program has already been carried out and how much of it will be fulfilled by the end of 1942.

V. During the conference with the Chief of Staff on 10 Jul. in connection with a report by the representative of the Sea Transportation Branch, Naval Staff Quartermaster Division, the question was raised as to what causes the frequent and considerable delay in the transport of supplies to Norway. The Chief of Operations Division, Naval Staff never entertained any doubt that the chief reason for this delay is the fact that the Commanding General, Norwegian Theater tries to use the ships as a storage place. Added to this are such reasons as the small capacity of the harbors, particularly in the arctic area, and frequent cases of poor management. The lack of escort forces is the least of the causes contributing to the delay in the delivery of supplies to Norway.

Since the deputy Chief, Naval Staff Quartermaster Division (at present the Chief of Staff of the Commanding Admiral, Norway) was of the same opinion at the time, the Chief of the Operations Division, Naval Staff finds himself obliged to remind the Naval Staff Quartermaster Division that the Commanding Admiral, Norway repeatedly explained his requests for an increase in escort and patrol forces,

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by stating that as a result of the lack of escort forces a serious delay in the transport of supplies has already been caused. A number of pertinent reports from the Commanding Admiral, Norway are submitted in support of this statement. Corresponding Communication as per 1 Skl Iop 17058/42 Gkdos is in War Diary Part C, Vol. IIA.

Situation 14 Jul. 1942

1. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

By way of supplementary information concerning the movement of heavy combat forces off Freetown, the Naval Attache at Lisbon reports that the NELSON, the RODNEY, and 4 destroyers arrived in port on 1 Jul., while the MALAYA and a convoy of 22 steamers carrying troops reached port on 2 Jul.

Coming from South America, the DIOMEDE arrived in Gibraltar, probably by way of Freetown.

It appears that the U. S. Maritime Shipping and Transport system does not function satisfactorily, since a new system is being tested. Inland and maritime shipping, which hitherto functioned separately, are to be administered jointly.

Indian Ocean:

According to radio monitoring, 3 hours after the HAURAKI was captured on 12 Jul., a submarine warning for that area was broadcast from Rugby.

2. Own Situation:

The Naval Attache at Tokyo transmits excerpts from the letters of the commander of ship "10", dated 4 and 26 May and 5 Jun. Along with the mention of experiences lived through and things needed aboard the ship, it was stated in these excerpts that ship "10" could remain at sea for about one year from the end of May (except for oil). The letters also disclose the plan of operating between 25° and 28°S during the new moon quarter of the month of June, and ask whether the Pacific is to be considered as an alternative area of operation and whether the Kerguelen waters are safe as a supply or waiting area. For copy see Telegram Wennecker 1346 in War Diary, Part C, Vol. I.

Information concerning enemy situation to all vessels in foreign waters by Radiograms 0638 and 2030.

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II. Situation West Area

Enemy Situation:

According to an intelligence report from Sweden on 9 Jul. stemming from the Russian Legation at Stockholm, a source which is not always reliable, three British and two American Army Corps, each consisting of two infantry divisions and two armored divisions or brigades and of 240 to 250 tanks of various sizes, are being concentrated in the Caledonia Canal, between Moray Firth and Oban, off Stometerry, Inverness, Wick and Vick. A large number of merchant ships and tankers are gathered in Moray Firth. Large supplies of tanks and ammunition as well as numerous lighters are being brought up. A number of Russian officers are likewise congregated there. The preparations are said not to be complete as yet. The purpose of this activity has not yet been ascertained.

This very concrete information may well be correct. However, it is not impossible that this information has been given out to confuse us.

At 2040, air reconnaissance observed 50 to 80 landing craft at the shore on the south coast of England, between Eastbourne and Hastings. Brisk convoy traffic in the rest of the Channel was also observed.

In the evening, radio monitoring intercepted a message from a mine-laying vessel, telling of signs of a German operation out of Cherbourg.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

Mining operation "Suedsee" was carried out according to plan on the night of 13 Jul. At about 0600 on 14 Jul., our convoy, which had been announced, was shelled by Army coastal artillery off the Somme estuary. No losses sustained. A strafing air raid was carried out by enemy planes on Ostend at 1845. No damage was inflicted. In the evening the 3rd Torpedo Boat Flotilla left Hook of Holland for Dunkirk. The "Brahma" mining mission has been started. Four boats of the 2nd PT Boat Flotilla are due to set out on a torpedoing mission. They are also to serve as a remote escort for operation "Brahma".

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III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance sighted only slight convoy traffic on the eastern coast. Air reconnaissance took place out of Vick, in the direction of Stavanger, as far as the Bergen-Nord Fjord line.

Own Situation:

The "Kaspar" mine-laying mission has been accomplished. In the course of this mission, fourteen ground mines were cleared by 3 mine-exploding vessels; 8 of these mines were swept from the path of the mine-laying vessels.

The "Kobold" mining mission started out from Hook of Holland in the evening. Mine-sweeping in mine field "2" as well as escort and patrol duty proceeding according to plan.

2. Norway:

The transfer of the KOELN to Trondheim is proceeding according to plan. The Fleet Commander took over command at 2100.

The damage inflicted on the destroyer LODY is so extensive that it is necessary that she be towed into a home port. Group North suggests that the LODY be left in Trondheim for the present, and if it should prove impossible to carry out any repairs, that she be employed as a floating battery. The Fleet Commander requests that the Naval Staff withhold its decision until his new proposal has been submitted.

During an enemy air raid on Kirkenes on 13 Jul. several vessels were destroyed. For further particulars see Telegram 1423.

3. Arctic Ocean:

Enemy Situation:

According to photo reconnaissance of 2 Jul., the Murmansk harbor suffered great damage as a result of numerous air raids. Consequently, the Air Force Operations Staff believes that its capacity has been substantially reduced. For particulars see Aerial Warfare.

A Russian submarine of the SHTSH class was sighted 30 miles north of North Cape.

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In the afternoon radio monitoring observed 4 British vessels in the Archangel area. These were probably escort vessels of convoy PQ 17. A British radio station, probably a radio monitoring ship, was located in the vicinity of Bear Island.

Own Situation:

Submarine U "457" unsuccessfully attempted to attack the Russian submarine sighted in quadrant AC 4978. At 0900, on the night of 14 Jul., 6 Norwegian submarines were ordered to be at a rendezvous 5 miles east of Andenes on 15 Jul., in order to proceed together to Narvik.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

According to radio monitoring, at least 8 submarines are at sea. One submarine was sighted from Tytersaari 6 miles south of Lavansaari heading west. At 2000 a Finnish mine layer reported sinking a Russian submarine in the same area.

2. Own Situation:

Convoy and escort duty in the area of the Commanding Admiral, Defenses, Baltic Sea proceeding according to plan. The destroyer GALSTER is en route alone from Kristiansand South to the Baltic Sea.

In the eastern Baltic Sea submarine patrol duty, mine-sweeping operations and convoy duty are proceeding according to plan.

Additional "Lachs" mine fields were laid by two naval barges in the Gulf of Finland.

Special Item:

It is necessary to intensify our anti-submarine operations in the Baltic Sea because of the danger to our shipping. An effort should be made to find out whether it would be possible to get the Swedish Navy to assign more anti-submarine forces for that purpose. Copy of corresponding directive as per 1 SK1 Ia 17102/42 Gkdos. to the Naval Staff Submarine Division and Intelligence Division with copy to Naval Attache section and to the Naval Staff Quartermaster Division, is in War Diary, Part C, Vol. III.

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V. Submarine Warfare

1. Enemy Situation:

According to an intelligence report from Spain, a convoy from the west arrived in Gibraltar in the morning. According to reports thus far received, it consists of 80 ships and 4 patrol vessels.

Radio monitoring intercepted reports of submarine attacks southwest of Cuba at 1845 and 1910. Submarine sighting reports were intercepted from the Gulf of St. Lawrence, off Cape Hatteras, and off Cape Charles.

2. Own Situation:

Distribution of Operational Submarines:

- (1) Northern Area: 23 submarines. Of this number 5 are in the zone of operations, one is on the way back, and 17 are in harbors.
- (2) Atlantic Ocean: 26 are in the zone of operations, 24 are en route to the zone of operations, and 11 are on the way back.
- (3) Southern Area: 6 submarines are in the zone of operations.
- (4) Mediterranean: 3 are in the zone of operations; one each on the way to the zone of operations and on the way back; 11 submarines are in harbors.
- (5) Submarine-tankers: 2 are in the zone of operations; one each on the way to the zone of operations and on the way back.

Submarine U "166" reports the sinking of a 3,000 GRT steamer and of a sailing vessel with barrels of gasoline aboard, as well as the sighting in Windward Passage of a convoy of 11 steamers escorted by 3 destroyers and 2 flying boats proceeding on a southerly course.

Submarine U "582" operating in the southern area, reports sinking the steamer DOMALA (8,441 GRT) in quadrant DT 6153.

Submarine U "130" established contact with a northbound convoy in quadrant DG 9103 (some 500 miles south of the Azores). Submarine U "507" and the Italian submarine CALVI were assigned to attack this convoy. Later submarine U "130" reported that the CALVI is unable to submerge and is on fire after being shelled by a destroyer, which was unsuccessfully attacked by submarine "130".

Other reports in supplement to Submarine Situation in War Diary, Part C, Vol. IV.

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VI. Aerial Warfare

1. British Isles and Vicinity:

Nothing to report.

2. Mediterranean Theater:

Bombers attacked Malta airfields and were active on the front of the African Panzer Army.

3. Eastern Front:

Support was lent to the attacking armies of Army Group A, and planes were sent into action in the Voronezh area ahead of the defense lines.

For results of photo reconnaissance of Murmansk see daily situation report.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

A British transport ship arrived in Gibraltar on 13 Jul. supposedly with 1,500 arsenal workers aboard. On 14 Jul. a convoy of 8 steamers, coming from the west, and one cruiser (believed by radio intelligence to be the DIOMEDE, coming from America via Free-town) put into port.

The CHARYBDIS and 1 CAIRO-class cruiser as well as 4 destroyers left for the Mediterranean in the early hours of the morning. They were followed by the EAGLE and 3 other vessels. Their probable mission was to transfer planes and provisions to Malta. The eastbound force, consisting of 1 aircraft carrier, 1 cruiser, and 6 destroyers, was sighted at 1600, 30 miles east of Cape de Gata. Thus it does not include 1 cruiser and probably 1 destroyer of those reported to have left Gibraltar.

Air reconnaissance sighted no other enemy forces in the Mediterranean.

A convoy consisting of 4 steamers and 5 escort vessels was sighted by a German submarine southwest of Beirut at 0251. At 2000 a number of unidentified vessels, steaming at high speed on a westerly route, was sighted from a station near Ras el Dahaban (60 miles east of Marsa Matruh).

2. Own Situation:

Mediterranean:

The Italian Admiralty is planning to transfer a flotilla of submarine chasers to North Africa, as well as to furnish plane escort for African coastal traffic.

The enemy staged an air raid on Benghazi at about 1800 on 13 Jul. One plane was shot down.

3. Transport of Supplies to North Africa:

The seven naval barges which were en route to Tripoli reached their port of destination. The tanker SATURNO is en route from Naples to Tripoli on the western route. Other ship movements according to plan and without noteworthy occurrences.

Unloaded on 13 Jul.: at Tobruk - 825 tons, at Marsa Matruh - 357 tons.

Total cargo unloaded at Tripoli for the month of June - 37,143 tons. Total turnover in coastal traffic for the same month - 19,027 tons; of the last total, naval barges carried 16% or 3,161 tons. For details see daily situation report.

4. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

According to air reconnaissance and radio monitoring there is lively plane activity along the northeastern coast. No movement of larger ships was observed. In the southeastern coastal area, 1 cruiser, 4 destroyers, and 3 large steamers were sighted at sea.

Own Situation:

Mine-sweeping operation proceeding according to plan. No noteworthy occurrences.

VIII. Situation East Asia

Nothing to report.

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IX. Army Situation

1. Russian Front:

Army Group A:

Reinforced rearguard forces of the enemy are offering stubborn resistance along the southern wing of Army Group A, from north of Taganrog to Krasny Luch, southwest of Voroshilovgrad. Our troops were able to gain only 10 km in this area. North of the Donets River, infantry divisions which were brought up are likewise engaged in a battle against strong enemy rearguard forces and isolated units. Advancing to the southeast, the 14th Panzer Division reached Tarasovka and another Panzer Division is engaged in a defensive battle between Gusev and Milerovo. Our forces are facing west, endeavoring to stem the enemy who is trying to break through to the east.

Army Group B:

Battles are continuing in the Voronezh area. The enemy was forced to relax his pressure when our air forces were sent into action. No noteworthy actions on the sector south of Yelets.

Central Army Group:

An enemy thrust against the highway southwest of Yukhnov was repulsed. Battles are still in progress near Velish.

Northern Army Group:

No noteworthy action except for unsuccessful enemy attacks near Soltsy.

2. Finnish and Norwegian Front:

Lively partisan activity on the rear of the Loukhi sector. The enemy is reinforcing his defenses along the Finnish-Russian border at the northern end of the Kandalaksha sector. On the western part of the Rybachi Peninsula, lively traffic continues.

3. North Africa:

In the course of the day enemy planes staged bombing and low-level attacks on our troops. The enemy VIII Army Corps (the 1st and 10th Armored Divisions) manned the southern and middle sectors of the front while the X Army Corps (the 9th Australian and the 5th Indian Divisions) occupied the northern sector. The whereabouts of the 2nd New Zealand Division is unknown.

In the evening of 14 Jul., our Panzer Division attacked the strongly fortified position northwest of the El Alamein stronghold. This position had been won by the enemy within the last few days. Battles are still in progress.

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Enemy reconnaissance forces operating against the southern flank were thrown back to the east by a German attack. A number of elevations were taken and the descent into the Qattara depression was blocked. Our troops succeeded in shortening the front considerably.

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Items of Political Importance

Great Britain:

In the House of Commons, Minister Lyttelton made a statement on the production problem. Britain's air force, he stated, positively ranks first. A new torpedo plane is being added to the naval air force, and other planes are being equipped to carry torpedoes. Except for the reconversion of one type of British bomber into a transport plane, Britain is leaving the construction of this type of plane primarily to the United States. For the rest, Britain is obliged to supply the major portion of her requirements in planes herself. Plane production has increased since January 1941 two and a half times. A scientific research station has been established for the purpose of improving Britain's arms. (The similarity to the centralization of German scientific research under military leadership is worthy of note.) In the year 1942 preference is to be given to the production of means of transportation, particularly ships.

According to reports of the neutral press, the latest Russian defeats are being viewed with great seriousness. Consequently, the discussion of the question of a large-scale operation again occupies a prominent place in the major British newspapers. The "Times" writes that the present situation simply obliges the Allies to take a risk and hazard an "adventure", particularly in view of the danger that Japan will attack Russia in the near future. There is likewise talk that Stalin made an urgent demand on London for a second front.

Portugal:

According to the report of the Portuguese Colonial Minister from Angola, the Portuguese Government has up to the present denied the request of the Union of South Africa to permit the use of Portuguese ports for the transport of arms and food supplies. Contrary to the mother country, Angola and Mozambique are said to be quite pro-British. Nevertheless, the Colonial Ministry does not consider the situation of the colonies in any way critical, since the Union of South Africa has only 200,000 men at her disposal and 70,000 of these are already fighting in North Africa.

Turkey:

In the opposition circles, particularly among the officer corps, there is a desire to place at the head of the government an experienced general, one who would be capable of putting an end to the vacillating policy pursued hitherto and of making a decision before it is too late.

U.S.A.:

Sumner Welles gave a detailed account to the press of the negotiations carried on with Vichy concerning the French naval forces in Alexandria. After the rejection of the first American proposal, Roosevelt proposed on 9 July that the ships be brought to Martinique under safe conduct

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and berthed there along with the other vessels of the Antilles, until the end of the war, with the assurance that they would then be restored. Laval rejected this proposal as well. The problem is now being further examined.

The French Ambassador in Washington declared a few days ago that France will remain loyal to her traditional friendships, which the misfortunes and misunderstanding of these difficult times will not be able to alter.

This utterance without doubt signifies more than a mere conventional phrase proffered by an Ambassador to the country which is his host. It justifies the Fuehrer's distrust towards France, which determines his policy of restraint towards that country.

According to a Trans-Ocean report, the U.S. has stopped delivering supplies to Turkey which the latter was receiving under Lend-Lease. The plausible reason given is that the materiel is more urgently needed elsewhere.

India:

The present British-Indian relations are said to have reached the point where the Executive Committee of the All-India Congress will demand on 7 Aug. that the British agree in principle to a later relinquishment of her rule over India. India will agree not to make trouble for the Allies for the duration of the war. Otherwise the Indians will threaten to resort to passive resistance under Gandhi's leadership.

Britain's reaction to this demand will show how strong she still feels herself to be at this time.

Conference on the Situation with the Chief, Naval Staff:

I. The Chief, Naval Communications Division reports that as of today, the order of the Air Force General Staff goes into force according to which all areas of the different air forces are to cooperate with the Navy with regard to communications. This brings to a successful termination the protracted efforts of the Naval Staff Communications Division.

II. The Chief of the Naval Staff, Operations Division, Foreign Affairs Section reports on further negotiations between Vichy and Washington with regard to the French naval forces at Alexandria, in accordance with the account given by Sumner Welles. In rejecting the second Roosevelt demand, Laval cited the stipulations of the

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Armistice Commission, which make it obligatory that the French warships go to the nearest French ports.

Although at the moment, due to the military situation in North Africa, the matter is not acute, still it is necessary to reply to the French request for permission to call at an intermediate port en route to Bizerte. This is all the more necessary since the U.S. Government continues to press the question regardless of whether or not Alexandria is in danger of being conquered.

The efforts of the Naval Staff are directed towards keeping the French naval forces under the control and authority of the Armistice Commissions as a potential weapon to use against the U.S. and Great Britain. The Italians, on the other hand, obviously desire the destruction of the French force. The Italian proposals (see War Diary, 14 Jul.) are inspired by this aim and the desire to obtain definite security. They also reveal a strong distrust of Germany. As is confirmed in the reports of Group South and the German Naval Command, Italy, the reasons offered by the Italians for rejecting the French proposals are mere subterfuges. The Naval Staff takes the position that naval warfare in the Aegean Sea is under German command and the port of Piraeus is under German control, so that the Italians could have no objection from a military standpoint. The offer of Italian intermediate ports is enough to make political objections untenable. The Chief, Naval Staff does not, therefore, consent to allow the French ships to put into Leros or Navarino. The Naval Staff suggests that the Italian High Command be informed that Germany insists on approval being granted for the French ships to enter the Piraeus roadstead, and that the French are being informed immediately to that effect. In informing the Italian High Command of the German stand, the views expressed above should be cited, if necessary.

The Chief, Naval Staff agrees. This viewpoint is forwarded to the Armed Forces High Command, Operations Staff, with copies to the Naval Officer, Armistice Commission, France; to the German Naval Command, Italy; and to Naval Group South. Copy as per l/Skl I c 17138/42 Gkdos. is in War Diary, Part C, Vol. XV.

Further account of the matter is in War Diary, Part C, Vol. VIII.

III. Report of the Chief of the Naval Staff Intelligence Division: According to a report of the Irish envoy at Lisbon, the fall of Alexandria might cause the fall of Churchill. In that event, an interim cabinet under the leadership of Hoare would probably take over. This cabinet would immediately make room for a successor who would be chosen to carry out a peace policy.

The British are planning for autumn a large-scale air offensive against Germany.

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In a very restricted circle:

IV. Report of the Chief of Operations Branch, Naval Staff Operations Division:

a. Concerning the charts which allow one to calculate the dates on which the enemy is most likely to attempt an invasion of the French coast, on the basis of conditions prevailing at the time. (See War Diary, 13 Jul.) At the request of the Fuehrer, the Naval Staff computed from these charts that, supposing the conditions which were considered necessary for operation "Seelowe", the likeliest dates would fall between 4 and 7 Aug. and at the beginning of September. However, in submitting the report to the Fuehrer the Permanent Representative of the Commander in Chief, Navy expressly pointed out that the British will probably consider different conditions necessary for an invasion. In view of the purely theoretical value of the computation, it was intentionally not communicated to naval commands.

b. Concerning the request of the Permanent Representative of the Commander in Chief, Navy at Fuehrer Headquarters that the submarine distribution chart be submitted regularly to the Fuehrer, the Naval Staff believes that this would burden the Fuehrer excessively with details. The Chief, Naval Staff shares this opinion and takes it upon himself to report personally and submit the distribution chart to the Fuehrer from time to time.

Special Items:

I. In accord with the suggestion of the Naval Staff of 19 May 1942, Group North has investigated the possibility of combatting the heavy enemy escort forces in the Arctic Ocean by means of mines. Group North found that in the case of the last Anglo-American convoys PQ 15, 16, and 17, heavy enemy escort forces were always stationed, among other places, precisely in quadrant AF 5350. From there these forces proceeded to Seydi Fjoerdr or Reidar Fjoerdr, possibly in order to dispatch some light forces to take on fuel and rejoin them. The Group, therefore, requested on 8 Jul. that a large mine-laying submarine and 66 rack mines, type A equipped with timing devices and self-submerging devices (Versenkzuender) be made available at the earliest date, if possible before convoy PQ 18 gets under way. It is planned to lay a number of small barrages similar to the Capetown mine field along the routes between quadrant AE 5350 and the above-mentioned fjords. In view of the particularly favorable prospects for success, Group North suggests that approval be granted for the use of these rack mines before their last operational test. Even if these mines surface, this feature is unobjectionable due to the numerous drift mines prevalent in this area. Quadrants AE 9300, 9650, and 9900 are also passed regularly by forces escorting convoys. However, in these areas the possibilities for using mines are limited because of the depth of the water. Group North will try to assign submarines to that area by arrangement with the Commanding Admiral, Submarines.

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While agreeing to the above in principle, the Naval Staff considers it desirable to learn the opinion of the Commanding Admiral, Submarines regarding the use of the rack mine, type A ahead of time, since these mines are not yet considered ready for operational use due to premature detonation. The Commanding Admiral, Submarines correctly states that premature laying of these mines which are not yet suitable for operational use not only affords slight prospects of success but may cause the betrayal of an area which is intended to be mined later on. The Commanding Admiral, Submarines is planning mine-laying operations in sites of equal importance where the traffic is heavier, and considers it wrong therefore to employ this mine which is not yet ready for operational use.

Since according to the report submitted by the Naval Ordnance Division to the Commander in Chief, Navy (See War Diary, 14 Jul.) the question of the operational readiness of the rack mine, type A does not appear to have been definitely clarified, a new inquiry was addressed to the Naval Ordnance Division. The reply was that it is expected that this mine can probably be authorized for operational use following the test with submarine U "118", providing that nothing unusual happens when the experimental mine field is laid by submarine U "118".

Consequently, the Naval Staff agrees with Group North in its estimate of the situation and the results to be expected if mines are used, but is obliged to deny permission to employ the rack mine type A, which is not yet fit for operational use.

II. In connection with the order given Group North, some time ago to reconnoitre regularly and systematically the waters around Ireland, the Naval Staff requests the Group to submit a detailed opinion of the possibilities for the pocket battleships to break through to the Atlantic. Possible dates would be as follows: Departure October-November 1942, return March-April 1943; departure February-March 1943, return winter of 1943-1944.

III. Russian torpedo planes have been observed lately in the northern area and in the Gulf of Finland. The Commander in Chief, Navy emphasized the fact that the problem of protecting our ships at their anchorages, for example in the Alta Fjord, against aerial torpedoes is becoming more important.

The Naval Staff Operations Division requests the Naval Staff Quartermaster Division to take further steps.

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IV. Data on Escort and Transport Operations in the Area of Group North for the Month of June 1942:

	Area of Com. Ad., Defenses, North	Area of Com. Ad., Defenses, Baltic Sea	Com. Mine Sweepers, Baltic Sea	Naval Station Baltic	Norway
a. Escorted war-ships	31	38	16	53	106
b. Escorted merchantmen number:	585	87	58	89	716
GRT:	1,163,363	560,870	142,150*	424,159	1,821,684
c. Number of air raids and sub- marine attacks	12	-	20	-	5
d. Total losses by mines: bombs, etc.	6 1	6 -	3 -	1 -	- -
e. Number of mines swept	114	11	40	32	5
Planes shot down	5	-	3	-	-
Enemy sub- marines sunk	-	-	probably several	-	-
PT boats, etc., sunk	3	-	-	-	-
f. Remarks	-	-	-	-	-

* and 9 hospital ships.

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Situation 15 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

The DIOMEDE departed from Gibraltar in an unknown direction. The Intelligence Service belatedly reports from Portugal the following information concerning the Freetown convoy: More than 100 transport ships were anchored in Freetown on 4 Jul. Among them, having arrived in convoy, were the steamers QUEEN MARY, QUEEN ELIZABETH, MANHATTAN, and PASTEUR, as well as the escort ships RODNEY, NELSON, MALAYA, and 2 heavy U.S. vessels. This represents the largest convoy yet to have arrived in Freetown. It is said that from 100,000 to 120,000 men disembarked from these ships. According to rumors these men are scheduled to move out of Freetown for operations against Dakar.

Serious consideration should be given to this report if it proves authentic.

South Atlantic:

Renewed reports of the constant arrival of American transports carrying a large number of motor vehicles have come in from Matadi.

2. Own Situation:

In reply to his inquiry, the Naval Attache at Tokyo is informed as follows:

a. The DOGGERBANK continues to serve as an auxiliary warship classified as a transport ship. (In accordance with a similar classification by the Japanese.)

b. The DOGGERBANK, proceeding at a speed of 9 knots, will be at point 1 on route "gelb" on about 26 Jul. She has at least 200 war prisoners aboard.

Information concerning enemy situation transmitted to all vessels in foreign waters by Radiogram 0417.

II. Situation West Area

1. Enemy Situation:

According to air reconnaissance, 24 landing craft, 2 destroyers, and 1 escort vessel were anchored in Plymouth at 1130. The usual amount of convoy traffic is noted along the south coast of the British Isles. Beginning at 1410, radio monitoring intercepted reports concerning the total loss of a mine layer in an air raid west of Boulogne and the sighting of a burning mine layer south-east of Dungeness.

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2. Own Situation:

Atlantic Coast:

The transfer of the damaged Italian submarine LUIGI TORELLI from Santander to Bordeaux was made according to plan. Three ground mines were swept off Lorient. Owing to suspected mines, the Gironde estuary had to be closed to shipping temporarily.

Channel Coast:

The "Brahma" mine-laying mission was carried out according to plan on the night of 14 Jul. The 2nd PT Boat Flotilla did not go out on torpedoing missions since air reconnaissance failed to detect any targets at sea. PT boats served as a remote escort for the "Brahma" mission.

Three enemy motor gunboats attacked a troop transport convoy off Alderney Island at 0155. The attack was repulsed. One of the attacking boats appears to have been damaged. Our force sustained slight damage and small losses in personnel. In the morning the 3rd Torpedo Boat Flotilla arrived in Dunkirk. Strong enemy fighter forces at noon repeatedly attacked the signal posts at Fecamp, Sainte Marguerite, Varengeville, and Dieppe. No sizable damage was inflicted.

In the afternoon the Mont de Couple and De la Creche batteries unsuccessfully shelled 2 enemy PT boats and 2 sea rescue vessels in quadrant BF 3328. One of these vessels was sunk by one of our fighter planes. Mining operation "Putra" began in the evening. Ten PT boats went out to lay mines attended by a remote escort.

III. North Sea, Norway, Arctic Ocean

1. Enemy Situation:

North Sea:

Slight air activity.

2. Own Situation:

Enemy air activity over the German Bight on the night of 14 Jul. It is suspected that mines were dropped in the area between Terschelling and Wangeroog, also in the waters around Heligoland and off Westerland. No successes reported from night fighter missions. Enemy air raids at Westkapelle in the afternoon. One target towing escort vessel was sunk and the tug was brought in, in a damaged condition. No damage was sustained by the Rhein Flotilla. One attacking plane was shot down. The "Kobold" mining mission was carried out according to plan. Eight ground mines were swept.

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Norway:

One naval barge was sunk with her cargo of ammunition in the course of brisk enemy air activity along the Arctic, the north Norwegian, and the west Norwegian coasts. Considerable loss in personnel was sustained.

The cruisers KOELN and FRIEDRICH ECKOLDT arrived in Trondheim. The FRIEDRICH IHN and destroyer Z "24" are returning south.

Escort duty proceeded according to plan. No noteworthy occurrences.

For the assignment of the METEOR as a gunboat or escort vessel in the area of the Commanding Admiral, Norway, see Telegrams 1628 and 2238.

Arctic Ocean:

Memo from Group North to the Naval Staff: The communications service would perform an unusually important service for Group North if they could find out whether, instead of PQ convoys, the enemy is sending unescorted single vessels along the ice border.

The Naval Staff, Operations Division makes a corresponding request to the Naval Communications Division (Radio Intelligence) and the Naval Intelligence Division.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

Nothing to report from the Skagerrak, Baltic Sea Entrances, the western and central Baltic Sea.

Mine fields "Lachs" 1, 2, and 3 were laid according to plan in the eastern Baltic Sea (Gulf of Finland).

According to a report of Group North, 2 Russian submarines struck mines in the "Seeigel" field and were destroyed. Life jackets and fragments of timber were found.

The Northern Army Group returned the 531st Naval Artillery Battalion to the Commanding Admiral, Baltic Countries.

The "Lachs 6" mine-laying mission is in progress; the "Sauna" mission got under way in the evening. The 1st Motor Mine Sweeper Flotilla and Finnish PT boats are carrying out the missions with the support of the Finnish Air Force. The I Air Corps is simultaneously staging raids on the islands of Seiskari and Lavansaari.

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After the relief of Kholm the commander of the forces of the naval motor transport company surrounded in that place reports: Of the total of the 85 men who were surrounded 29 men were killed, 37 wounded, 4 missing, 1 ill, and 14 were still on duty on 9 May. (See Telegram 1005.)

Another conference between the chief of staff of the 1st Air Force and the command of the coastal brigade of Lake Ladoga, with the participation of a representative of the Naval Liaison Staff, Finland, produced complete understanding on the questions of command and assignment of forces on Lake Ladoga. For further details see Telegram 1039.

Group North requests the 1st Air Force and the I Air Corps to obtain information concerning the movements of Russian destroyers, perhaps also of the cruiser MAKSIM GORKI, by means of constant photo reconnaissance. When located these ships are to be made the main target of our operations.

V. Submarine Warfare

1. Enemy Situation:

Special Items:

The U.S. Secretary of the Navy Knox announced an operation against the Axis submarines extending to all corners of the globe. "There won't be any righting unless we are able to get rid of the submarines." The convoy system adopted for the east coast of the U.S. on 14 May has been extended to the Caribbean Sea. Shipping in the Gulf of Mexico will also be included under this convoy system as soon as possible.

Brisk reconnaissance activity was observed in the rendezvous area and off Iceland. One of our submarines putting out to sea was repeatedly reported by planes northwest of Cape Vilano.

The sighting of a mine was reported 60 miles east of Cape Charles. At 0900 a message was intercepted from the western entrance to the Florida Strait, telling of a submarine attack. At 1041 two U.S. destroyers received an order to proceed full speed ahead to the site of the attack and to give chase to the submarine.

2. Own Situation:

No reports of successes scored off the U.S. coast and in the West Indies have as yet been received. Submarine U "201", one of the submarines operating in the south, reported sinking the tanker BRITISH YEOMAN (6,999 GRT) which was en route from Curacao

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to Gibraltar.

In the Mediterranean, submarine U "501" reported a miss on a destroyer in quadrant CP 8257.

Other reports in Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Five enemy planes were shot down in the western area on 14 and 15 Jul.

For the sinking of a PT boat or a sea rescue boat see Situation West Area.

Twenty-one of our planes mined the Thames on the night of 15 Jul. Only 7 incursions were reported from Holland and the Belgian-Northern France area.

2. Mediterranean:

Numerous reconnaissance and bombing operations in North Africa.

At 1630, an enemy cruiser, on an attempted breakthrough to the east out of Gibraltar, was attacked 60 miles northeast of Cape Bon. One hit was allegedly scored, with an SC 250 bomb.

3. Eastern Front:

Only limited commitment of planes in the southern sector of Army Groups A and B, due to unfavorable weather. In the Arctic Ocean area, the transformer station at Murmashi was attacked with good effect.

No noteworthy reports were received from other zones of operation on the Eastern Front.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

A DIOMEDE-class cruiser left Gibraltar on the night of 14 Jul. Destination unknown. In the forenoon of 15 Jul. another

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cruiser of the DIDO class arrived in Gibraltar from the west.

The EAGLE task force proceeding on a westerly course and consisting of 1 carrier, 2 cruisers, and a number of destroyers was sighted at 0830 some 70 miles north of Algiers.

According to German air reconnaissance at 1230 an eastbound cruiser proceeding at high speed was 30 miles northeast of Cape Bougaroun. She was continuously shadowed until 2225, at which time she was proceeding in an easterly direction 16 miles north-northwest of Cape Bon.

Thus the enemy again succeeded in breaking through the Sicily Strait. There is no doubt that his destination is Malta.

Liveller escort and patrol activity was observed in the area between Alexandria and Port Said.

2. Situation Italy:

The Italian Navy sent all available submarines and air forces against the enemy cruiser. In addition, 1 destroyer left Cagliari and another departed from Trapani.

3. Own Situation:

Mediterranean:

Nothing to report.

4. Transport of Supplies to North Africa:

The coastal supply for the Panzer Army is adversely affected by the loss of the steamers BROOK, STURLA, and SAVONA and by the possible withdrawal to the Black Sea of the German naval barges from the Mediterranean for operation "Bluecher". Since operation "Herkules" will be delayed until operation "Aida" is terminated, the Italian barges built in the meantime out of German material will be available for "Herkules".

The Naval Staff, therefore, directs the German Naval Command, Italy to urge the Italians to assign these new naval barges as far as possible for the time being for service in coastal supply traffic, sending them to the most advanced sector of the African front in order to insure the delivery of supplies to Rommel.

As a matter of fact, the Italians should have offered to do so without being urged. For copy of the corresponding directive see Telegram 1901. No arrival of ships in north African ports was reported on 15 Jul.

Coastal supply shipping proceeding according to plan.

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5. Area Naval Group South:

Aegean Sea:

No noteworthy occurrences during the day.

According to information from Group South and from the German Naval Command, Italy, all efforts have failed so far to settle who is to be responsible for directing North African supplies through the Aegean Sea. Neither the German Naval Command, Italy nor the Italian Admiralty is in a position to know local conditions in the area of the Commanding Admiral, Aegean Sea. Therefore, Group South requests once again all the authorities involved to secure the Italian Admiralty's consent to the proposal of Group South of 3 Jul., which has the approval of the Naval Staff.

In reply to an inquiry, the chief of staff of the Commanding Admiral, Aegean Sea declares that it is not advisable at this time for the Chief of Operations Division, Naval Staff to intervene. The transport of supplies to Africa through and out of the Aegean Sea has been started. The difficulties experienced by the Commanding Admiral, Aegean Sea, were due solely to the fact that he cannot have a complete picture of his ships at all times. Consequently, it is difficult for him to assign them.

The most important thing is that the transports are kept moving. The difficulties described do not seem insurmountable.

Black Sea:

Enemy Situation:

Air reconnaissance reports slight activity on the part of the fleet and increased air activity in the area of Anapa.

According to an unconfirmed intelligence report, 22 British PT boats which arrived by rail are being assembled in Batum. It is reported that 142 British officers and men are in readiness for these PT boats.

Own Situation:

On 13 Jul. a mine barge struck a German mine and sank off Kerch. On the night of 12 Jul. repeated enemy air raids were staged on Feodosiya. Escort missions were in part suspended on 14 Jul. owing to weather conditions.

According to a report from the Naval Attache at Istanbul, shipping restrictions out of Istanbul have been lifted. Burgas remains closed to auxiliary sailing vessels.

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VIII. Situation East Asia

The U.S. Navy Department announces that 4 Japanese aircraft carriers, 2 heavy cruisers, and 3 destroyers were sunk, and 3 battleships, 4 cruisers, and a number of destroyers were damaged in an engagement off Midway (on 4 to 6 Jun.) 275 Japanese planes were destroyed, 4,800 Japanese were killed or drowned. American losses were: the carrier YORKTOWN was put out of action and the destroyer HAMMANN sunk; 92 officers and 215 men lost or missing.

It is not possible, at this time, to verify these apparently very high figures representing Japanese losses.

IX. Army Situation

1. Russian Front:

Army Group A:

Strong enemy counterattacks between Krasny Luch and Voroshilovsk were repulsed. Our forces took Cherkaskoye. Enemy attempts to break through to the southeast on the Glubokaya sector between Gusev and Milerovo, were repulsed. A bridgehead was established near Kovalov. Our troops reached Krasnovka (5 km north of Kamensk). Assaults by Russian tanks on Tarasovka, launched from the northwest, suffered a bloody collapse. The III Panzer Corps effected a junction with the 4th Panzer Army near Vodyanoy.

Army Group B:

Units of the 6th Army moved across the Dyatkovo-Kazanskaya road to the east. The heavy battles on the northeastern sector of the Voronezh bridgehead are continuing. Enemy forces carried out attacks between the Don and the Olym Rivers with the object of probing the situation.

Central Army Group:

Local engagements on the western bank of the Resseta River and north of Lyudinovo. Attempts to break out of the encirclement near Byeloi failed.

Northern Army Group:

No noteworthy engagements.

2. Finnish and Norwegian Front:

Nothing to report.

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3. North Africa:

On the night of 17 Jul. heavy enemy forces attacked the southern wing of the Italian X Army Corps at the central sector of the front. The enemy overran the Brescia Division, struck at the rear of the Pavia Division to the north of it, and advanced to the northwest. The bulk of both Italian divisions was destroyed. Some units of these divisions yielded their positions without a fight. The remaining units of the Pavia Division repelled all enemy attacks. The Panzer Army succeeded in launching a successful counterattack in this critical situation and in sealing off the enemy penetration in the north and west. In order to accomplish this it was necessary to employ the 21st Panzer Division which is operating against the fortified enemy position on the northern sector, as well as units of the German troops operating on the southern wing. 1,200 prisoners were brought in. Thus it was possible to restore the situation against an enemy who no doubt also was under a heavy strain, turning it into a partial tactical success. This was accomplished despite the disastrous failure of the Italian divisions. Our Air Force furnished invaluable support.

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Items of Political Importance

Sweden:

As a result of neutrality violations by Russian submarines, the King personally induced the Cabinet to promulgate a secret order of the day to the Fleet, the Air Force, and the Coast Artillery, directing them to attack any warship in Swedish territorial waters without warning unless she has special permission or is in distress. Foreign warships are also to be attacked outside of the 3-mile limit if they are about to attack Swedish territory or preparing for such action.

Great Britain:

Reports from a neutral source concerning conditions and morale in England, which for the most part confirm or reiterate known facts, are in Political Review No. 164, Par. 2.

An intelligence report from England dated 8 Jul. confirms the continuing withdrawal of troops from Syria, Iran, and Iraq, and definitely also from India, for concentration in the Nile Delta. Since, in the interest of Egypt's defense, it is impossible to avoid exposing the strategically important positions of the 9th and 10th Armies as well as India to a maximum extent until replacements have arrived from England, a dangerous vacuum will prevail until the end of September. Forty-two thousand men departed for overseas from ports on the west coast of the British Isles during the early days of July.

U.S.A.:

The pressure on Argentina is being intensified. U.S. newspapers have begun to level sharp personal attacks on Castillo.

According to a diplomatic report, the Brazilian Government has been asked to make available for the coming year a considerable contingent of troops for commitment overseas.

Japan:

The Japanese have forwarded a memorandum to the Government of Chile which states that Japan has up to now taken care to protect Chilean shipping and will continue to do so. The memorandum contains the reminder that it is of course not possible to promise that Japanese forces will not operate in the waters south of Panama and north of Chile.

Conference on the Situation with the Chief, Naval Staff

In a very restricted circle:

Report of the Chief of Operations Branch, Naval Staff Operations Division: At the Fuehrer's request, the Commander in Chief, Air Force is preparing a raid on New York by two BV 222's. He is negotiating with the Naval Staff to secure its support of the operation. Using a surface vessel as a supply ship is out of the question. However, submarines of the type IXc might be able to supply the planes with fuel and ammunition. The Commanding Admiral, Submarines also considers the operation feasible from a technical standpoint. The effect on submarine warfare would be equivalent to the cancellation of 2 missions during which 60,000 to

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80,000 GRT of enemy shipping could be sunk. The submarines type IXc which are in western France are scheduled to be assigned to the Capetown mission. Submarines type IXc for a mission in the west in support of the operation of the BV 222's can be available at home bases for conversion and outfitting beginning 8 Aug. They will not be able to sail before the end of August. The project calls for furnishing 2 bases for the planes, one 1,000 km. and the other 3,000 km. from the enemy coast.

Special Items

I. The Japanese Naval Staff transmitted via the Japanese Naval Attache in Berlin its approval for an operations area for the German auxiliary cruiser in the Indian Ocean. The operations area is situated south of 20° S, between 60° and 80° E. The Japanese Naval Staff also advised that the operations area effective heretofore will again be in effect upon termination of the auxiliary cruiser's operations.

The Naval Staff has been asked not to permit the auxiliary cruiser to cross the demarkation line of the present operations area before 0000 on 20 Jul.

Corresponding directive to ship "10" via Radiogram 2233.

II. With reference to the naval situation in the eastern Baltic Sea the Armed Forces High Command, Operations Staff, the Army General Staff, and the Air Force Operations Staff have been requested to resume or continue operations against the Russian naval forces in Kronstadt and Leningrad by means of air raids and long-range artillery bombardment. Light naval forces, particularly submarines, should be primary objectives.

Copy of corresponding letter 1/Skl Ia 17121/42 Gkdos. in War Diary, Part C, Vol. III.

III. Upon request, the Japanese delegation made the following suggestions concerning the landing maneuvers in Antwerp from 9 to 11 Jul., during which the various types of landing craft used by the three branches of the Armed Forces were employed:

1. The three branches of the Armed Forces must receive uniform landing instructions.

2. It seems somewhat unconventional that the three branches of the Armed Forces build different, yet similar, type craft each branch providing its own crews.

3. Provisions must likewise be made for a longer period at sea. This necessitates the use of invasion transports.

4. A fast, armored scout boat is lacking, which will also take over the task of fire support during a landing.

5. The Siebel ferry employed as an assault boat carrier appears not to be used advantageously from a tactical point of view since it has primarily other tasks to master.

6. Smoke screen apparatus must be carried primarily by boats which approach the coast ahead of the assault boats.

7. Engines must be of the same type as far as possible in order

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to simplify the replacement problem. Gasoline engines have the disadvantage of being easily inflammable.

8. All boats must have a bow and stern anchor. The stern anchor must be dropped as early as 200 meters off shore; the bow anchor must be light so that it can be pulled ashore. There is need for a special assault boat for the removal of under-water obstacles.

9. There is almost no equipment for night voyages and landings by night, the only time suited for such operations.

10. Men should be provided with rubber soles to avoid slipping when leaping ashore.

In conclusion, the Japanese Naval Attache pointed out the special danger inherent in having complex equipment which impedes training and on whose functioning depends the very success of difficult night landings.

The Japanese Naval Attache considered it proper that the Navy used nothing but naval barges during the maneuvers, since they are the proper craft to carry heavy weapons and supplies. The Navy's duty is only to guarantee the landing party's safe arrival, close off the coast to protect it against threats from the sea, and to maintain the flow of supplies. In Japan developments followed the same course. At first the Army also built a large number of invasion craft which were useful only in inland-water operations. By slow steps the Army came around to see things differently.

The viewpoint that the Army must develop its own craft and execute a landing in consultation with the Navy in regard to problems of navigation, leaving to the Navy the safeguarding of supply transports, should hold equally true for the German situation. The Army will learn itself soon enough to appreciate how different a coastal landing is from crossing a river, and that conditions under which a sea coast invasion takes place impose higher requirements.

The Naval Staff, Quartermaster Division is charged with further evaluation of the experiences gained.

IV. On 14 Jul. the Chief, Submarine Division, Naval Staff reported to the Commander in Chief, Navy on increasing the tempo of submarine operations. In view of the decisive importance which this problem has for the conduct of the war, steps must be taken to achieve the following:

- a. Speed up submarine repairs to the fullest extent.
- b. Limit final fitting operations to 21 days.
- c. Submarine pens are to be equipped in such a way that the construction of new repair sites can be reduced to a minimum.
- d. Overcome the congestion in the shipyards in which submarines undergo final adjustment and repair prior to proceeding on missions.

The Commander in Chief, Navy approved the proposals of the Chief, Submarine Division, Naval Staff and set down his decisions on the individual points in writing.

Copy of the report of the Chief, Submarine Division, Naval Staff and the decision of the Commander in Chief, Navy, as per 1/Skl 17516/42 Gkdos. in War Diary, Part C, Vol. IV.

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V. On 1 Jul. the first order for the construction of a motor gunboat was issued by the Commander in Chief, Navy. This gunboat is to be equipped with armament corresponding to one of the following specifications:

1. Two - 3.7 cm. twin-mount anti-aircraft guns fore and aft.
One - 2 cm. gun atop the wheel-house for 360° fire radius.
2. One - 3.7 cm. twin-mount anti-aircraft gun fore or aft.
One - 2 cm. quadruple-mount anti-aircraft gun fore or aft.
One - 2 cm. gun as under 1. above.

About 8-12 mm. armor protection for the wheel-house, engine room, and 1 fuel compartment. Similar to the PT boats, three MB "511" motors are to be used as power plant. A similar speed will therefore be attainable only at the expense of cruising range and provisions.

VI. A compilation of enemy reports intercepted by radio decoding and radio monitoring from 6 to 12 Jul. is in Radio Intelligence Report No. 28/42 of the Communications Intelligence Branch, Communications Division, Naval Staff. The report points out that according to radio decoding, enemy movements are apparent in the South Atlantic and movements of single Russian ships in the eastern part of the Gulf of Finland and in Kronstadt Bay.

Situation 16 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

A fragmentary submarine warning signal from 6° 30' S, 10° 00' E was intercepted from Simonstown. It may have some connection with our operations.

Indian Ocean:

According to radio monitoring the battleship QUEEN ELIZABETH has been observed in the Indian Ocean since 16 Jul. According to a report from another source the ship is said to be in tow.

2. Own Situation:

The comments of Naval Staff, Operations Division on specific questions brought up by the captain of ship "10" in his letters to the Naval Attache in Tokyo are being transmitted to ship "10" via Radiogram 0528.

Via Telegram 2025 the Naval Staff informs the Naval Attache in Tokyo of its intention to have the UCKERMARK meet ship "10" if it is still expedient to do so. Otherwise arrangements will be made to deliver the provisions in Japan. The same telegram also deals with the supplies requested by Etappe Japan.

Via Telegram 0317 the Naval Staff proposes to the Naval Attache in Tokyo to return one of the prize crews of ship "10" to that vessel via a

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blockade-runner if time permits, but to retain the other prize crews until the auxiliary cruiser reaches Japan.

Information to all vessels in foreign waters concerning the strained relations between Rumania and Hungary and the unsatisfactory political and economic situation of Croatia via Radiogram 1511.

Information concerning enemy situation via Radiogram 2104.

II. Situation West Area

Atlantic Coast:

The 6th Mine Sweeper Flotilla cut 4 mines east of point "Herz 450". Time setting 25 days. Route "Herz" was completely closed to shipping from point 448 to 452.

(Note: Route "Herz" is the new designation which has been adopted by Group West as of 1 Jul. 1942 for the Belgian and French coast. Directive of Naval Group West 2501/42 A 3 Gkdos.)

Channel Coast:

Mine operation "Putra" was carried out according to plan. Mine laying by 10 PT boats at the Channel exit near The Needles has also been carried out according to plan. For brief report see Telegram 0740.

The 3rd Torpedo Boat Flotilla arrived in Le Havre during the early morning hours.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

According to radio monitoring two unidentified ships left Scapa Flow at 2230 with a submarine chaser escort. Lively air reconnaissance was observed in the North Sea area. Air reconnaissance observed only a moderate amount of convoy traffic on the southeast and east coast.

Own Situation:

Mine operation "Kobold" was carried out according to plan.

A mine-exploding vessel swept a total of 8 mines off Heligoland, Borkum, Terschelling and Scheveningen. Mine-sweeping operations at mine field "2". In the afternoon enemy planes raided the blast furnace at IJmuiden and the Wilhelmshaven shipyards. Both raids were staged at low level. Slight loss of personnel and minor damage. On the night of 15 Jul. an enemy plane strafed our battery positions at Walcheren without inflicting any damage. On the night of 16 Jul. low-level air raids and enemy flights over the Esbjerg area caused slight personnel loss in the Navy anti-aircraft post. Navy anti-aircraft guns shot down 2 enemy planes.

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Special Items:

On 12 Jul. Group North advised the Naval Staff of the order concerning further mine operations to the Commanding Admiral, Defenses, North, and the North Sea Naval Station. The order stipulates that after mine fields SW "6" to "11" have been laid, about 60 cutting floats are to be laid in each of mine fields SW "101" to "107" in order to protect the SW mine fields against attempts to sweep them. In daylight operations the forces of the Commanding Admiral, Defenses, North are to lay an additional 100 standard mines type A on the 5 or 4 m. line off each of the following: Bergen op Zoom, Kastricum, Katwijk-aan-zee and Ter Heiden.

All mine operations are very urgent. Following is their order of priority:

- a. "Kaspar", "Kobold", "Satan"
- b. SW "104", "105", "106", "107"
- c. SW "101", "102", "103"
- d. Mine fields of standard mines type A.

The sweeping of routes "Blau" and "Gruen" is to be postponed for the time being.

2. Norway:

Enemy Situation:

At 1600 a southbound submarine was sighted southwest of Utsire.

Own Situation:

The FRIEDRICH IHN and the destroyer Z "24" proceeding in easterly direction passed Kristiansand South at 0500.

A Russian plane flew over Havoey Sound on 15 Jul. At 1400 enemy planes were observed dropping 7 objects along the convoy route in the vicinity of North Cape. Since it was suspected that these objects were aerial mines the route was closed to shipping. Enemy reconnaissance activity over Trondheim and the west coast. Mine-sweeping and escort service according to plan without incidents.

For a report from the Trondheim shipyard concerning damage on the destroyer RIEDEL see Telegram 1245. The RIEDEL is expected to be towed to a shipyard in Germany on 20 Jul. along with the LODY.

Group North issued the following directive: The 4th Mine Sweeper Flotilla will be discharged as a unit at the beginning of September and will proceed to a shipyard in Germany. 6 vessels of the 22nd Mine Sweeper Flotilla are scheduled as replacements; the other vessels will follow at a later date.

The 5th Mine Sweeper Flotilla will proceed to the shipyard after repairs on the 4th Mine Sweeper Flotilla have been completed. If vessels are in need of repair at an earlier date they are to be given a brief overhaul one or two at a time.

The 15th Mine Sweeper Flotilla will also be transferred to Norway by the end of July. (See Telegram 1709.)

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Thus the Commanding Admiral, Norway will receive three additional mine sweeper flotillas (two modern flotillas and one flotilla composed of large steam trawlers). The arrangement corresponds to the situation in the individual command areas of Group North.

3. Arctic Ocean:

Enemy Situation:

A new British radio station in the Arctic Ocean area broadcast only urgent messages.

According to the listening service of the Air Force convoy X9 comprising 9 transports and 3 corvettes left Reykjavik en route to Archangel at 2130 on 15 Jul.

The radio intelligence service of the High Command, Navy doubts the accuracy of this information. It remains to be seen whether the observation of the permanent listening post at Husum is correct this time.

Own Situation:

Group North's measures concerning convoys PQ 18 and QP 14 have gone into effect. Details follow.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

Convoy and escort service in the Skagerrak, the Baltic Sea entrances, and the western Baltic Sea according to plan and without incidents. Southwest of Langeland a Danish fishing trawler sank after striking a mine.

In the eastern Baltic Sea an enemy submarine attacked the steamer GUDRUN 3 miles south of Stein Ort. Another attack took place two hours later 4 miles north of Libau. The same enemy submarine appears to have carried out both attacks.

Mine fields "Sauna 1" and "Lachs 1, 2, 3" and "6" were laid according to plan in the Gulf of Finland. The 27th Landing Flotilla is en route to Reval where it is to reinforce the "Nashorn" mine field.

Troop and prisoner transports from Danzig to Finland are proceeding according to plan.

Special Items:

By arrangement with the Commanding General, Air Force Group Command, Central Area, the Navy plans to withdraw the anti-aircraft forces from Flensburg by 1 Sep. The Air Force Group Command is strengthening the anti-aircraft defense of Flensburg by the immediate installation of an anti-aircraft battery and will, in due time, furnish at least

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one heavy and one light anti-aircraft artillery battalion by way of replacement for the anti-aircraft forces which are to be withdrawn. (See Telegram 2030.)

V. Submarine Warfare

1. Enemy Situation:

Lively reconnaissance activity was observed in the northern rendezvous area, probably in connection with the inbound HX convoy. Plane reports on submarine sightings were intercepted from 100 miles northwest of Cape Ortegal and 55 miles west of Cadiz.

Reports of a submarine attack with subsequent orders for air assistance were intercepted some 300 miles south of the Bermudas. Otherwise the usual submarine sighting reports were intercepted from the American coast and the West Indies.

2. Own Situation:

An armed large tanker of at least 15,000 GRT, the entire cargo of which blew up, was destroyed at the western exit of the Florida Strait. The 2,325 GRT steamer with a cargo of coffee (name omitted in the original text - Tr.N:) was sunk in the Caribbean Sea and another 10,000 GRT tanker was sunk near Trinidad. Submarines U "571", "160", and "129" participated in the action.

Further reports in supplementary submarine situation report in War Diary, Part B, Vol. IV.

Special Items:

The Commander in Chief, Navy has ordered that soldiers who underwent training in Course II and who also have submarine training are to go on temporary duty in the shipyards on a trial basis in order to expedite finishing operations on submarines which are being completed in Germany. The Commanding Admiral, Submarines issued a corresponding directive to the Second Admiral, Submarines (see Telegram 1650).

Tests on the new search gear which is capable of giving the diving depth of a submarine, as well as measuring tests in order to carry out search gear defense tests in deep water call for a submarine to be used as a target. In view of the urgency of these tests for combat purposes and in view of the fact that the detention of a new submarine which is just leaving home waters for the operations zone would appreciably reduce her operating period in the Atlantic, it is expedient that the test submarine be furnished by Group North. For corresponding directive from the Naval Staff to Group North, with copy to the Communications Experimental Command and the Commanding Admiral, Submarines, see Telegram 1601.

VI. Aerial Warfare1. British Isles and Vicinity:

No particular reports during the day.

On the night of 16 Jul. enemy air raids on Germany with Luebeck as center of attack. Other raids on Schleswig and Flensburg. For reports on damage see daily situation report.

2. Mediterranean Theater:

No raids on Malta. No noteworthy information obtained from reconnaissance missions in the eastern Mediterranean.

3. Eastern Front:

Missions in support of Army operations. Thirty planes were reported shot down. In the north, a raid on the Murmansk railroad cut the rails with 4 hits. On 15 Jul. air reconnaissance spotted 29 steamers and a tanker in Archangel.

4. Special Items:

For directive of the Air Force Operations Staff concerning anti-aircraft machine gun posts see Telegram 2220.

For directive of the Commanding General, Air Force Group Command, Central Area, concerning anti-aircraft defenses for Flensburg, see Telegram 2030.

VII. Warfare in the Mediterranean and the Black Sea1. Enemy Situation:Mediterranean:

According to an intelligence report from Spain the Italians carried out an unsuccessful special mission in the Bay of Gibraltar in the morning of 14 Jul. Four officers and 3 men were picked up at La Linea.

The EAGLE task force returned to Gibraltar in the forenoon of 16 Jul. The DIDO-class cruiser which arrived from the west on 15 Jul. again departed in westerly direction on 16 Jul. According to an intelligence report from Spain a convoy is due to leave Gibraltar in the near future.

The British cruiser from Gibraltar which was proceeding in easterly direction through the Strait of Sicily arrived in Valletta at 1940. No damages could be observed.

Air reconnaissance detected a normal amount of convoy traffic in the eastern Mediterranean. For details see daily situation report.

2. Own Situation:Mediterranean:

Enemy planes raided Benghazi during the night of 14 Jul. and

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in the afternoon of 15 Jul. Two planes were shot down. Eighteen Italian submarines were at sea in the Mediterranean.

3. Transport of Supplies to North Africa:

The steamer SATURNO is en route to Tripoli. The 2 Italian destroyers which carried troops to North Africa returned to Taranto in the evening of 15 Jul. During the same evening the motor ship ANKARA left for Brindisi and 2 CITTA-class steamers of the Siena group left for Suda. The steamers GUALDI and MENES were expected in Tobruk on 16 Jul. Only the MENES has thus far reported her arrival.

980 tons of supplies were unloaded at Tobruk on 14 Jul; on 15 Jul. 942 tons.

Special Items:

The Chief of Staff, Naval Staff transmits the following telegram to the Admiral, German Naval Command, Italy:

"I am under the impression that present unavoidable difficulties in the Mediterranean and in North Africa indicate that the joint command in the Mediterranean theater of war is not fully effective at this decisive hour. I believed that the Commanding General, Armed Forces, South is responsible for all operations in this theater. However, I have been informed, that the latter regards the task conferred on him to be a limited one and that he does not feel himself responsible for the overall conduct of the war in the Mediterranean-North African theater. I believe that this state of affairs, which is fraught with danger, can be remedied only if the pertinent German and Italian authorities cooperate on the basis of joint strategy in strengthening the front and preparing the ground for further operations on the North African front. To this end it would in my opinion be necessary to transfer the decisive operational commands back to Rome, at least temporarily.

I urgently request your views concerning this matter as well as a report on your personal plans." (See Telegram 1501.)

4. Area Naval Group South:

Aegean Sea:

Nothing to report on the naval situation. For the stand taken by the German Naval Command, Italy in reply to an inquiry from Naval Group South concerning a basic regulation for routing supplies to North Africa via the eastern route (see War Diary 15 Jul.) see Telegram 2040.

In the opinion of the Naval Staff supplies are being routed in keeping with the present situation. The difficulty is to some extent due to the fact that the employment of the steamers in Africa is exclusively in the hands of the Italian High Command or the Italian High Command, Africa and that the Italian Admiralty has no say in the matter. Moreover, since the pertinent Italian and German authorities have been in Africa for weeks, it is not quite certain who has the right to command what. (See also telegram from the Chief of Staff, Naval Staff to the Admiral, German Naval Command, Italy).

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Black Sea:

Enemy Situation:

Minor movements of naval forces. More lively Russian traffic was observed only on the Taman coast. One battleship, 1 heavy cruiser, 2 light cruisers, 4 destroyers, 1 torpedo boat, and 16 submarines were sighted in Poti.

Own Situation:

On 15 Jul. a German plane attacked a Russian submarine some 135 miles southwest of Sevastopol. No damage was caused during enemy raids on Yalta and Feodosiya. The shelters of the harbor defense flotilla suffered damage as a result of large-scale fires set by incendiaries in Sevastopol. The south side of the northern mole of Feodosiya was cleared of mines. Twenty motor boats arrived in Mariupol. Escort service was resumed in the evening of 15 Jul.

Four of the 10 naval barges assigned to the Black Sea are in Linz, 3 are en route to Linz, and the others are still in Dresden.

Special Items:

According to the directive of the Armed Forces High Command, Operations Staff, arrangements are to be made so that the 4 especially equipped naval barges for operation "Bluecher", which have been designated by the Army General Staff as urgently necessary for the shipment of very heavy tanks, can be transferred on 10 days notice. They will presumably not be called for prior to 25 Jul.

The Naval Staff Quartermaster Division, Shipping and Transport Branch receives a corresponding directive. Naval Group South and the Admiral, Black Sea are being informed concerning same. Copy of corresponding directive 1/Skl I op 17250/42 Gkdos. in War Diary, Part C, Vol. XIVA.

VIII. Situation East Asia

According to a report from the Naval Attache in Tokyo, the Japanese Admiralty Staff reports that Japanese submarines sank 4 ships totalling 30,000 GRT during the month of May. These ships were not identified by name. According to information furnished by the Japanese Navy the latter sank 229 ships totalling 1,355,500 GRT since the outbreak of war. According to Domei, Japanese forces occupied the town of Yuian on the east coast of Chekiang province on 13 Jul. Large-scale operations of the Japanese Fleet are said to have taken place off Wenchow..

IX. Army Situation1. Russian Front:Army Group A:

Enemy forces in front of our left wing withdrew in easterly direction. The enemy offered strong resistance to our attack against Kamensk and destroyed the bridge completely. Our troops succeeded in crossing the Don southeast of Kamensk. Our forces took Millerovo. The enemy retreated to the south. Our forces also reached Milyutinskaya and established a bridgehead south of Morozovskyi.

Army Group B:

6th Army forces are gaining ground in an easterly direction according to plan. In the area of the Von Weichs Army Group, attacks continued at the northern Voronezh front and north of Zemlyansk. These attacks are expected to continue.

Central Army Group:

No noteworthy occurrences at the eastern front of the Army Group. In the rear area partisans annihilated one of our engineer companies southwest of Kirov. Enemy attempts to break out of the encirclement in the area of Byeloi were frustrated. On the night of 14 Jul. the enemy again carried out successful raids on railroad trains and rail lines.

Northern Army Group:

Mostly quiet.

2. Finnish and Norwegian Front:

No noteworthy fighting took place at the southeastern front or 20th Mountain Army Command sector.

3. North Africa:

No report received.

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Items of Political Importance

France:

Laval issued a detailed statement concerning the situation of the French naval forces in Alexandria in which he also disclosed the notes exchanged with the Axis powers and the U.S. relating to the question of their conduct in the event of the fall of Alexandria.

Great Britain:

The House of Commons continued to debate heatedly the question why discussions on shipping should be held in closed session. Cripps had to take back his promise to make public a summary of the debate upon its conclusion. The House of Lords too discussed the shipping problem in secret session.

The shipping space problem is finally being given the attention which it deserves because of its decisive importance to the outcome of the war. Time will tell whether keeping the true situation a secret helps solve the problem. It seems very questionable in view of the British mentality.

In a speech the Parliament Secretary for Economic Warfare cited the fact that the food situation in Axis-controlled Europe is growing worse and worse as proof of the continued effectiveness of the blockade. It will be remarkable, continued the speaker, if the present German rations, already very much reduced, can be maintained. The feeling that further military setbacks in Russia could have a most serious influence on the future course of the war appears to be spreading in London as well as in Moscow. During a press conference in Moscow it was stated that Russia can afford no further loss of territory. The fate of Great Britain and the U.S. is now being decided at the Don, and it is high time to throw all available Allied troops into the battle in order to save what can still be saved.

Significant in this connection are the rumors that Lord Beaverbrook, who is considered one of the most zealous champions of a second front in Europe, will again enter the War Cabinet as Defense Minister.

Churchill has asked Roosevelt to reduce the number of American gift parcels sent to Great Britain in order to save shipping space.

Finland:

Upon request by the U.S., consular agencies of both countries were closed in the U.S. and Finland.

The removal of American agents from Finland can only be of advantage to Germany.

U.S.A.:

See Political Review No. 165, Paragraph 5 b, for a report by a Swedish journalist on morale in the U.S. where war propaganda under the slogan "America is the hope of the world" is said to be quite effective.

Chile:

According to a diplomatic report, the situation in Chile is more unfavorable than in Argentina, since Chile does not have a strong personality such as Castillo and thus is even less able to resist U.S. pressure than Argentina.

Conference on the Situation with the Chief, Naval Staff

I. Report of the Chief, Naval Staff Communications Division:

1. The Air Force General Staff has ordered large-scale radio jamming in the area of the 3rd Air Force, to be concentrated on the Baie de la Seine and the Channel areas.

2. The instruments which are to be shipped on the Japanese submarine I "30" are ready. 2 Japanese officers have received three weeks of training in the radar school at De Heen.

II. In connection with the problem of submarine pen construction in Emden as ordered by the Fuehrer it is pointed out that relatively few submarines are being built in Emden and Wilhelmshaven, so that the need for shelters of this nature is really less urgent there than in Hamburg and Kiel. Increased enemy air raids on all submarine yards are to be expected. It is, however, extremely difficult to build as many installations as are really necessary. Should Minister Speer launch a large-scale construction project, it might easily happen that the Navy finds itself stripped of the steel and labor necessary for carrying it out.

The Commander in Chief, Navy orders a study of the whole problem in all its aspects.

III. Report by the Chief, Naval Ordnance Division: Silhouette targets of a KING GEORGE V-class vessel and a NORTH CAROLINA-class vessel are being built for air raid training. Neither materiel or labor allotted to the Navy are being used. The targets will be set up in Peenemuende.

IV. The Chief, Underwater Obstacles Branch reports that, on the basis of further observations on the "Coeln" mine field, standard mines type F may now be used in waters up to 500 m. deep as requested by the Mine Laying Experimental Command and the Mine and Barrage Inspection Command.

Rack mines type A may not be used until they have been tested in further experimental mine fields laid by submarine U "118", and until the results of a long distance voyage by a mine-laying submarine with a full mine load are known:

Aerial mines type F which are to be laid by airplanes and PT boats are still being tested.

V. The Chief, Naval Construction Division reports on the damage to the turbines of the SCHARNHORST, the need for docking the LUTZOW, and the 6 to 8 weeks delay in the completion of the war transports which have been built in Italy. This is not due to a lack of German supplies. The suggestion that the Commander in Chief, Navy write a letter to Admiral Riccardi is approved by the Commander in Chief, Navy.

The date of the transfer of the LUTZOW will be determined by the operational situation. Following the suggestion of the Naval Staff, repairs

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on the LCDR are to be carried out without delay.

In a Very Restricted Circle:

VI. The Chief, Operations Branch, Naval Staff Operations Division, reports on the directive of the Armed Forces High Command, Operations Staff, concerning the transfer of 4 naval barges from the shipyard in Palermo to the Black Sea. These barges have been equipped for carrying very heavy tanks and are to be used in operation "Bluecher". See corresponding note in War Diary of 16 Jul.

VII. Report of the Chief, Naval Staff Quartermaster Division to the Chief of Staff, Naval Staff from Fuehrer Headquarters on 16 Jul.:

1. The offensive in the East is progressing even better than expected. It is now four weeks ahead of schedule. Its rate of progress depends only on the supply lines. If it should prove possible to cross the Don in a southerly direction, operation "Bluecher" will probably not be necessary. In this case, too, supply by sea remains of decisive importance as the railroads south of the Don are inadequate. The rapid advance made it necessary to use up fuel which had been earmarked for the second half of August. This will be made up by reducing home allotments by 25%.

2. The plans of the Fuehrer are as follows: Mop up enemy forces in Leningrad with artillery and 4 to 6 divisions of the 11th Army Group around the middle of August. Leningrad is to be razed. Kronstadt will fall by itself for lack of supplies. The new front is to lead along the southern shore of Lake Ladoga.

3. Finnish forces becoming available are to reinforce Dietl to an extent which will permit an attack on Kandalaksha in order to paralyze the very lively traffic on the Murmansk railroad. The Fuehrer apparently wants submarines and light naval forces to remain in the Arctic Ocean area. He said: "I have experienced difficulties in the past year in getting the Navy to commit forces there".

4. Extensive shifts in forces are planned for the West Area. Divisions from the Replacement Army (2 for the Netherlands, 1 for Belgium, 1 for the Schelde estuary and Walcheren), the SS Panzer Grenadier Division "Leibstandarte-SS Adolf Hitler" and the SS Panzer Grenadier Division "Das Reich" are en route to the west area. The former is to march through Paris in order to impress the population. Submarine bases are by all means the principal objects to be protected. The Commanding General, Armed Forces, West has received the necessary orders.

VIII. Further report from the Armed Forces High Command, Operations Staff, Navy to the Chief, Operations Branch, Naval Staff Operations Division:

1. General von Weich has replaced Field Marshal von Bock as Commanding General, Army Group B. Reason: acting against the Fuehrer's intentions with regard to Voronezh.

2. General Jodl has returned from Finland. The operation against the Rybachi Peninsula will probably be dropped since the advance on Kandalaksha makes it unnecessary.

Above letters in War Diary, Part C, "Fundamental Problems of Warfare".

To VII and VIII above:

In connection with the razing of Leningrad the Chief of Staff, Naval Staff points to the importance of its slipways and workers for Germany, at least for the duration of the war, in view of the steadily increasing air threat from the West. The Chief, Naval Staff has ordered the Chief, Quartermaster Division, Naval Staff to present this idea to the Fuehrer at an early opportunity.

As for the problem whether the fact that Kandalaksha is in our hands is sufficient for cutting Russia's supply line via the Arctic Ocean ports, the Chief, Operations Division, Naval Staff calls attention to the opinion of Captain von Baumbach, according to which Archangel is known to be free of ice most of the winter.

IX. Continuation of the report of the Chief, Operations Branch, Naval Staff Operations Division: On the basis of data supplied by the Air Force listening service, the 5th Air Force assumes that a convoy of 8 vessels left Reykjavik on 15 Jul. at 2130 with destination Archangel. (See War Diary of 16 Jul.) Group North considers this assumption credible because it is of the opinion that the enemy will attempt to resume his supply shipments to Russia as quickly as possible by means of small convoys. The Group believes it entirely possible that the enemy is able to establish a shuttle escort system of heavy vessels and expects that many small convoys will be protected only by weak close escort forces of cruisers, destroyers or escort vessels.

The Group therefore directs the Admiral, Arctic Ocean to start operations against the reported convoy (PQ 18) at once with all available submarines. The Group also requests the 5th Air Force to reconnoiter not only the Denmark Strait in order to locate the convoy, but also the assembly area of the heavy escort forces west of the Orkney Islands, east of the Faeroe Islands, and east of Iceland and the Denmark Strait. It further requests the 5th Air Force to determine whether a QP convoy is leaving Murmansk or Archangel. Reconnaissance of Scapa Flow is also requested.

At the same time the Group requests the Naval Staff to approve that the Narvik task force, reinforced by the ECKOLDT and the KOELN, operate against a possible QP convoy and, if there is none, that the task force proceed against PQ 18. The Lofoten Islands area is intended to be the initial point in any case, since enemy submarine patrols may be expected once the task force has left the North Cape region.

The Admiral, Arctic Ocean receives further instructions to make the necessary preparations so that, once approval has been granted by the Naval Staff, refuelling of the KOELN and the destroyers can take place on short notice in the Gimsoe area and, on the return voyage, in the North Cape area.

The code word for the new operation against the convoy is "Eispalast".

On the basis of its data, the radio intelligence service of the Naval Staff Communications Division cannot confirm the fact that convoy X 8 has left port as reported by the Air Force listening service. Until now, British Army radio messages picked up by the Air Force listening service have never coincided with actually determined ship movements from Reykjavik. Group North has transmitted this estimate to the recipients of the above directive, and has appropriately characterized the situation as still undetermined. The Group orders continuation of all measures already begun.

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Once the situation has been determined and the Naval Staff's approval is received, the Fleet Commander intends to board the TIRPITZ with his operations staff on or about 18 Jul. for operation "Eispalast". He suggests that the KOELN not be used in this operation in view of her equipment and training status, leaving the cruiser in Trondheim for the time being. But he requests that the ECKOLDT be transferred north as soon as possible. For operation "Eispalast" the Fleet Commander plans to transfer north 4 Arados of the ship-borne squadron at Trondheim. They are first to proceed to Narvik and later on to Hammerfest in order to fly submarine patrols over the coastal waters. Finally, the Fleet Commander repeats his suggestion to transfer the operational control center to Narvik on the basis of experience gained in operation "Roessel-sprung". This would guarantee the fastest possible communications with the Air Force.

A check with the Naval Staff Operations Division has shown that the fuel situation will permit carrying out the operation as planned.

The Chief, Naval Staff expresses his approval of the plan to send a heavy task force against the QP convoy and PQ "18", even though they will probably comprise only a few vessels. It will therefore be possible to continue with the preparations. Execution will require obtaining the approval of the Fuehrer at the proper moment. The conditions for carrying out the operation are to be the same as in the case of PQ "17".

The Naval Staff therefore issues the following directive to Group North, with copy to the Admiral, Arctic Ocean and the Fleet Commander:

"The Commander in Chief, Navy approves the plan to commit a heavy task force against the QP convoy and convoy PQ "18". All preparations are to be made for this operation. The conditions governing this mission are the same as those in the case of PQ "17".

Telegram as per 1/Skl 1351/42 Gkdos. Chefs., 1356/42 Gkdos. Chefs., and 1/Skl 17333/42 Gkdos. in File "Operation 'Eispalast'".

X. The Chief, Operations Branch, Naval Staff Operations Division reports on the recent increase in submarine losses. For details see previous entry in War Diary, 13 Jul.

Special Items:

I. The following points were made in a discussion with the Quartermaster General, Air Force, concerning the operation of the BV 222's in the west:

The planes will not be ready to take off before 10 Sep.

No decision has as yet been reached as to whether 1 or 2 planes will participate in the operation. The final order of the Commander in Chief, Air Force to carry out the plan is likewise still to be received.

The planes will start out with an extra load upon the go-ahead signal from base 1 (1000 km. off the enemy coast). A Navy meteorologist is requested for that base. The planes will then land at base 1 and refuel from two hose lines. This procedure is estimated to take about 1 1/2 to 2 hours. They will start again at dusk in order to carry out their mission. Upon its completion they will head for home, refuelling, if necessary, at base 2 in the area north of the Azores.

Loading ammunition from a submarine thus is out of the question.

The Operations Division, Naval Staff and the Submarine Division, Naval Staff are participating in the planning and the execution of the project.

II. Since available labor is to be used for submarine repairs according to present directives, work on the GNEISENAU will be deferred. The Operations Division, Naval Staff has asked the Quartermaster Division, Naval Staff to see if there is a possibility after all of completing work on the GRAF ZEPPELIN at Gdynia, in view of the fact that work on the GNEISENAU has been further deferred and that having the GRAF ZEPPELIN in Kiel would immediately result in making her the target of increased air raids.

Considering, however, the accuracy of British bombings, neither available nor improved anti-aircraft defenses can afford even nearly adequate protection against bomb hits according to all experience gained so far.

In view of the strategic significance which we must attribute to the aircraft carrier, this question should, in the opinion of the Operations Division, Naval Staff, be continually reexamined with the aim of determining whether a way cannot be found after all whereby the possibilities of repairing the shipyards in the East can be increased and also utilized for the aircraft carrier.

III. On 3 Jun. the Operations Division, Naval Staff concluded its memorandum to Group North concerning the routing of vessels in operation "Cerberus" as follows: "We therefore must regretfully conclude that, contrary to the original intention, it was not possible to route the vessels to the north differently than via route 'Braun'. Proceeding on a different route would not, to be sure, have guaranteed absolute safety, but would nevertheless have considerably reduced the danger of hitting mines."

On 22 Jun. Group North once more stated its views on the entire problem and reported as a result of renewed study that what the Operations Division, Naval Staff had believed to be their original intention actually had never been that of either the Group or the Commanding Admiral, Defenses, North. Neither of the two authorities was even familiar with what the Operations Division, Naval Staff considered the best routing. In the preliminary discussions both Group North and the Commanding Admiral, Defenses, North were only concerned with an alternate route in the area east of point M, since they were of the opinion that mines have never been encountered west of this point. As it turned out, the only mine hit west of point M was the one on the GNEISENAU.

The matter was once more thoroughly discussed by the Chief of Staff, Group North and the Mine Warfare and Submarine Section, Operations Division, Naval Staff on the occasion of the conferences of the Chiefs of Staff held in Berlin on 11 Jul. As a result, the Operations Division, Naval Staff made known its final position on 17 Jul., referring to the written and oral points made by the Group. A copy of the memorandum l/Skl I E 15400/42 Gkdos., which was approved by the Chief of Staff, Naval Staff, is in War Diary, Part C, File "Cerberus".

A study of this case is most enlightening. It illustrates clearly that the problem Naval Staff-Group Command still has not been solved adequately. A knowledge of the enemy situation and strategic and tactical considerations on the part of both authorities unfortunately did not have such practical effect as to result in the highest possible reduction of probable mine hits on our most valuable ships.

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IV. The Armed Forces High Command, Operations Staff, Army concludes the following from the communique of the High Command, Panzer Army North Africa and the estimate of the situation dated 16 Jul. of the Army General Staff, Intelligence Division, West, forwarded to the Armed Forces High Command, Operations Staff:

1. The Panzer Army believes it will no longer be possible to hold the El Alamein position if the enemy succeeds in effecting further penetrations, in view of the rapidly decreasing fighting ability of the Italian divisions.

2. The enemy has withdrawn appreciable forces for rest purposes, even though his activities are increasing. These forces will again be available for action by the beginning of August.

The reinforcements which have been planned for so far do not provide the urgently requested boost in fighting potential of the infantry or of the anti-tank defenses. Hence it not only is necessary to retain the plan for transferring the 125th Infantry Regiment and the 609th Anti-Aircraft Battalion to Africa but, independently of that, it is also vitally important that 2 more divisions for Africa (1 from the west and 1 from the Crimea) be made available at once. Either the 7th Airborne Division or the 22nd (Air-Landing) Division stationed in the Crimea would be best suited for an immediate further reinforcement of the Panzer Army.

The daily communiqes referred to indicate that nearly 4 Italian divisions have been annihilated and that the enemy is being reinforced by more and more infantry, tanks, and artillery.

Situation 17 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

An intelligence report from Spain reveals that a U.S. destroyer escorted by 2 three-motored planes was sighted near Cape Trafalgar on 15 Jul.

Pacific Ocean:

The Russian motor ship FELIX DZERJINSKY (3,700 GRT) reported from the Aleutians area that she is being fired upon.

Indian Ocean:

A British radio station in the Cape of Good Hope area reported on 12 Jul. that it located a Japanese ship at 25° 00' S 48° 30' E (100 miles southeast of Fort Dauphin, Madagascar).

2. Own Situation:

The Japanese Navy requests that the DOGGERBANK abandon her disguise as a British ship 400 miles before reaching Japanese waters, i.e., when reaching the Christmas Islands, and that she hold her German identification signals ready for instant use.

The DOGGERBANK is being instructed to this effect and is ordered to call at Batavia as an intermediate port where she will receive orders from the Japanese for proceeding to Yokohama. (Radiogram 2029.)

The Naval Attache in Tokyo reported on 13 Jul. that 137 prisoners from the TANNENFELS and the DRESDEN were transferred to Japanese authorities on 10 Jul. The Attache notes that the Japanese Navy presents no difficulties whatsoever as far as taking over prisoners is concerned. On the contrary it has always induced the pertinent authorities (of the Ministry of the Interior) to take them over as quickly as possible. Prisoners who are citizens of countries with which Japan is not at war have also been accepted. The Japanese have assured us that naval secrets in the possession of subjects of the non-belligerent states will not be divulged for three months. This problem, as well as the question raised by the Naval Attache as to whether prisoners who have been turned over to the Japanese will continue being considered German prisoners, will be studied further by the Naval Staff. The Operations Division, Naval Staff now considers it assured that Japan will take over prisoners and considers the military aspects of the case closed. Text of a note to this effect to the Chief, Special Staff for Mercantile and Economic Warfare, Armed Forces High Command, as per 1/Sk1 I k 17076/42 Gkdos., is in War Diary, Part C, Vol. I.

Radiogram 1957 informs all ships in foreign waters about certain discrepancies between American and British policy in South America as well as about the struggle of the Argentine and Chilean governments to maintain their countries' neutrality.

II. Situation West Area

1. Enemy Situation:

Radio intelligence located 4 submarine chasers and 1 patrol boat at sea in the area of Portsmouth. Starting at 1916, urgent radio messages were intercepted from this area presumably in connection with a convoy. A message at 1600 on 16 Jul. from the LEPHRETO reports three mine explosions in the area of Portsmouth. At 1800 the ship reported a bad leak. An intelligence report from Spain states that the British Army seized a large number of small vessels in the Thames estuary and the Channel and transferred them to harbors in southern England. One of the harbors mentioned was Falmouth.

2. Own Situation:

Atlantic Coast:

The Gironde was again opened to shipping. A ground mine was swept at point N III.

Channel Coast:

Nothing to report.

III. North Sea, Norway, Arctic Ocean:1. North Sea:

The German steamer SESOSTRIS which formed part of the Elbe-Ems convoy was damaged when she hit a ground mine northwest of Borkum and was brought into Emden. The German motor ship HANS sank on route "Hellrot" near buoy 29 after hitting a mine. A mine-exploding vessel swept a ground mine north of Terschelling. Enemy air activity in the eastern North Sea and in the Wilhelmshaven-Wesermuende area between 1800 and 2000. Radar did not intercept the enemy planes.

Mine operation "Satan" was started in the evening.

2. Norway:

Naval situation unchanged. Enemy air activity over Stavanger in the afternoon and night of 16 Jul. Enemy air activity over Kirkenes at noon of 16 Jul.

Special Items:

The transfer of the LUETZOW must depend entirely on the operational situation. The decision about the date rests with Group North. The following factors must be taken into account in selecting the date:

- a. The danger to the ship in Trondheim.
- b. The weather conditions necessary for the transfer.
- c. The desire to get the ship ready for action as soon as possible.

Both the Operations Division, Naval Staff and Group North consider the new moon phase in August the best time for effecting the transfer. A corresponding directive by the Naval Staff is being forwarded to Group North, with copy to the Fleet Command. (See Telegram 1405.) Since it is considered very important to have the LUETZOW completely ready for action by the beginning of the winter, the Quartermaster Division, Naval Staff is being asked to arrange with the Naval Construction Division that a repair-shipyard is assigned for this purpose. A report from the Chief, Military Problems and Shipyards Branch, Naval Construction Division to the Commander in Chief, Navy states that it is impossible to make the repairs with the means available in Trondheim.

See Telegram 2200 for a request of the Fleet Commander to have a Ju 52 definitely made available in view of the operational situation which makes it possible to effect the transfer in the very near future.

This will be attended to by the Quartermaster Division, Naval Staff.

3. Arctic Ocean:Enemy Situation:

In the morning, the evening and towards midnight radio intelligence located several British ships in the area of Archangel. The new British radio station or radio guard ship in the Bear Island or Spitsbergen area may possibly be connected with a troop transport to set up a base on Bear Island or Spitsbergen. Definite location of the station by means of direction-finding has been unsuccessful so far.

Own Situation:

Nothing to report.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

See Telegram 2129 for a list of damage caused by the air raid on Schleswig Holstein during the night of 16 Jul.

Escort and convoy service in the area of the Commanding Admiral, Defenses, Baltic Sea according to plan.

Mine fields "Sauna II" and "III" were laid according to plan in the Gulf of Finland. Channel sweeping and submarine patrols proceeded uneventfully in the area of the Commander, Mine Sweepers, East. Six transports were being convoyed from Utoe to Danzig, 4 from Danzig to Utoe, while 1 transport group was en route from Danzig to Reval. Other convoys were en route from Reval to Helsinki and from Libau to Reval.

V. Submarine Warfare1. Enemy Situation:

Nothing to report.

2. Own Situation:

The foreign press report according to which the Argentine steamer ARGENTINO has allegedly been sunk off the Portuguese coast is inaccurate.

Inbound submarine U "202" established contact with a westbound convoy about 350 miles north of the Azores. Two more submarines were sent against the convoy. Contact with the convoy was lost around midnight. It disappeared in south-southwesterly direction. Submarine U "161" encountered a southbound convoy in the West Indies in quadrant DD 7838. She scored 2 hits on a steamer of 9,000 GRT and observed loud detonations, so that the vessel was probably sunk. A hit on another steamer was also heard. See supplementary submarine situation report in War Diary, Part B, Vol. IV for further reports from the operations area.

Submarines which have passed through the Iceland Passage after 20 Jun. have been ordered to report on enemy patrol activity between Iceland and the Faeroe Islands at their earliest opportunity.

VI. Aerial Warfare1. British Isles and Vicinity:

Numerous daylight raids on the British coast. An industrial plant in Colchester was attacked without observation of effect. A sailing vessel was attacked and damaged near Orfordness. 53 northbound steamers were spotted in the Thames estuary. In the course of a fighter-bomber attack at noon, a hit was scored on the guns of a 1,000 GRT

freighter near Worthing. In a further raid near Brixham a steamer of 3,500 GRT was damaged and a motor mine sweeper was sunk. Weak German forces flew night reconnaissance missions over the southern coast of England. Sporadic enemy flights over western France remained without effect.

2. Mediterranean Theater:

The cruiser which had arrived in Valletta, presumably the MANXMAN, was attacked with bombs. No definite effects were observed.

The Air Commander, Africa reported that very heavy forces supported the Panzer Army by raiding enemy tank and truck concentrations, succeeding in destroying a column of 20 vehicles.

3. Eastern Front:

45 enemy planes are reported downed in the course of missions supporting the attacking armies. Several freight cars and barracks were damaged during a raid on the Laplandia railroad station.

4. Special Items:

The Commanding General, Air Force Group Command, Central Area stated in agreement with the Quartermaster Division, Naval Staff that the XI Air District Command (Luftgau) continues to be responsible for the anti-aircraft defenses of Flensburg, and that for operational purposes the local commander of Navy anti-aircraft artillery is placed under the command of the XI Air District Command (Luftgau), effective at once. This supplements the order of 3 May which placed the Air Force anti-aircraft batteries in Flensburg under the command of the local commander of Navy anti-aircraft artillery. (See Telegram 1700.)

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

Cruiser CAIRO which was part of the EAGLE task force that had left Gibraltar for the Mediterranean on 14 Jul. later turned westward and again arrived in Gibraltar from a westerly direction on the morning of 16 Jul. The second cruiser, probably a mine-laying cruiser from the British Isles, was still in the harbor of Valletta at 0930 according to an aerial photograph. Two previously spotted destroyers were still in Valletta.

In the eastern Mediterranean German air reconnaissance spotted a west-bound vessel, presumably a cruiser, 8 miles west of Alexandria. In the afternoon 4 steamers and 4 patrol vessels were reported on an easterly course 30 miles east of Port Said.

2. Own Situation:

Mediterranean:

Enemy planes raided Tobruk during the night of 16 Jul. A captured enemy lighter which was carrying Italian ammunition was sunk. During a second attack in the afternoon of 17 Jul. a tank containing

2,000 tons of gasoline was set afire. This loss is very painful and will not remain without effect on the freedom of movement of our Air Force. An enemy flying boat was shot down by a German submarine. 19 Italian submarines were at sea in the Mediterranean operations area,

Special Items:

The Admiral, German Naval Command, Italy has expressed the opinion that the operations in Egypt have assumed the form of a war of position. The side which is first in organizing a larger flow of supplies will be able to break the stalemate. Our supply line still has many weaknesses and inadequacies. The Admiral, therefore, is seriously considering returning to Rome and putting either his Chief of Staff or Captain Aschmann in charge of operational headquarters in North Africa. (See Telegram 1900.)

According to a further report from the Admiral, German Naval Command, Italy, Lieutenant Commander Oehrns of the staff of the Commander of Submarines, Italy is missing since 14 Jul. In addition to his other duties this officer represented the Admiral in official affairs with the Commanding General, Armed Forces, South and occasionally at other important conferences. While en route from the headquarters of the Commanding General, Armed Forces, South to those of Field Marshal Rommel in order to discuss an adjustment of seaborne supplies to the military situation, his car failed to arrive at its destination and has been missing since. (See Telegram 1950.)

The Chief, Naval Staff disapproves using the submarine staff officer for the above tasks, which have led to his loss.

3. Transport of Supplies to North Africa:

Shipping is proceeding according to plan. No report has as yet been received concerning the arrival of steamer GUALDI in Tobruk. Cargo unloaded in Tobruk on 16 Jul. amounted to 676 tons.

4. Area Naval Group South:

Aegean Sea:

The Italian destroyer SAETTA has been made available for the urgent transport of anti-aircraft gun barrels from Suda to Tobruk as requested by the Commanding General, Armed Forces South. Steamer OLYMPOS has replaced steamer PONTINIA, which is in need of repairs, for the transport of aviation gasoline from Suda to Tobruk. During the morning the 3rd Destroyer Squadron and 2 CITTA-class steamers again arrived in Candia from Tobruk. 4 naval barges which are destined for the Black Sea are expected to arrive in Piræus from Palermo on 21 Jul.

Black Sea:

Enemy Situation:

Very lively air activity in the Anapa area. Aerial photo reconnaissance seems to indicate an appreciable increase in the number of merchant ships in Poti. According to radio intelligence 1 destroyer, 8 submarines, 1 submarine tender, a few mine layers and PT boats were located in the southeastern part of the Black Sea; 1 destroyer, 3 mine-laying vessels and 5 mine sweepers were located in the northeastern part.

Own Situation:

Enemy planes raided Mariupol during the night of 15 Jul. Bombing and strafing of Siebel ferries which had left for Genichesk were observed from Mariupol. Convoys proceeded according to plan. 1 naval barge and 3 vessels of the 17th Harbor Defense Flotilla destroyed enemy installations near Cape Kherson and Cape Violent.

The Naval Attache in Istanbul reports that a Turkish submarine sank off the Dardanelles.

5. Special Items:

In accordance with a request from the Commander in Chief, Air Force the Naval Staff has agreed to the transfer of a squadron of the 125th Reconnaissance Group from the Cavalla area to the south. The planes are to be used as convoy escorts, for submarine chasing, and reconnaissance of coastal waters between Piraeus and Crete.

VIII. Situation East Asia

Nothing to report.

IX. Army Situation1. Russian Front:Army Groups A and B:

Voroshilovgrad was taken; its western bridge is undamaged. Kamensk was reached and the bridgehead southeast of Kamensk widened. Advance elements reached Kerchinsk (100 km. northeast of Rostov). Infantry Division "Grossdeutschland" reached Tatsinskaya as early as 16 Jul. Other advance units reached Bokovskaya.

The Don was reached southeast of Kazanskaya as planned. Persistent enemy attacks were repulsed all along the Don front, from Korotoyak through Voronezh to south of Livny.

Central Army Group:

Encircled enemy formations in the rear of the front were attacked in the area northeast of Smolensk.

Northern Army Group:

Enemy forces supported by tanks attacked the land strip south of Staraya Russa in front of the westerly position of the II Army Corps from the north and south. The attacks from the south were repulsed. A counterattack in northerly direction is being prepared.

An attack against the bridgehead of Kirizhi was repulsed north of Soltsy.

Finnish Front:

No reports received.

North Africa:

Strong enemy forces again broke through the front sector of the Italian "Trieste" Division. Units of the 21st Panzer Division succeeded in saving the situation for the time being. At the northern sector the Panzer Army was engaged in heavy fighting against renewed enemy attacks throughout the day. The defense was supported by concentrated raids in front of the lines of the 21st Panzer Division by forces under the Air Commander, Africa.

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Items of Political Importance

Great Britain:

In response to the publication of the notes exchanged between France and the U.S. concerning the French warships in Alexandria, Great Britain denies that these warships fall under the armistice terms, since they were already under the command of the British Commander in Chief in Alexandria at the time the armistice was concluded. France announced to Washington that a new comment on this question will be forthcoming.

Spain:

General Franco has again convoked the Cortes. The new people's representatives will be organized on the basis of occupation.

Hungary:

The Prime Minister declared in the course of an address that the world conflagration has now reached a stage of development which must be regarded as a sign of its approaching end.

Switzerland:

Newspaper comments on the European situation express the opinion that the war is approaching a point where it might be looked upon as an immense collective suicide. The press does not believe that the nations of the world will accept this fate forever. Even the "professionals" of world politics and their followers must, it is felt, slowly get the idea that it is time to think of ending the war. For details, see Political Review No. 166, Par. 3.

Special Items:

I. The Operations Staff, Armed Forces High Command ordered on 18 Jul. that additional forces be made available for the southern area. The 22nd (Air-Landing) Division is to be transferred to Greece at once. One reinforced regiment will be stationed in Crete, while the bulk of the division will be stationed in southern Greece and the area of Salonika. It is possible that the division will be transferred to Africa. It is to be reorganized into an airborne division for tropical warfare.

II. The Armed Forces High Command, Operations Staff, Navy reports the following estimate of the situation rendered by the Commanding General, Armed Forces, South on 18 Jul.: The present crisis was to be expected because the Italian troops are tired. The Duce declared that the battle for Tobruk has been concluded. Until a new battle begins under a different name, it is necessary to allow the troops to rest. This rest should last 2 to 3 weeks. The morale of the British 8th Army is no better than that of the fatigued German and Italian troops. The enemy air raids will simply have to be endured. Cavallero and Bastico will do everything possible to have fresh replacements available as soon as possible. Both Kesselring and Rommel believe that the set-back is due, on the one hand, to the arrival of 2 new enemy divisions and considerable replacements for tank forces via a shorter supply route as well as a concentration of

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enemy artillery and a very strong and eager air force; on the other hand the set-back is due to the failure of fatigued Italian units. It was very difficult for German troops to contain enemy attacks. The Air Force played a large part in the fighting. So far all supply problems have been solved, but for organizational reasons and because of enemy activity they are growing bigger every day. The Commanding General, Armed Forces, South will request Cavallero to take immediate steps to bring about a radical improvement. The fighting potential of the Panzer divisions has fallen off considerably, with the result that even the best air preparation was exploited only to a small extent or not at all. Recognizing this situation, Rommel plans to pull his left wing back to the line of Bir el Magtua (west of El Alamein) - Bir el Shein, while holding his strong elevated position at Bab el Qattara-Gebel Kalakh. The newly-arrived British troops can also be considered fatigued so that they too are in need of rest.

Our supply service will have to be brought up to a maximum of efficiency. The Duce and Cavallero are attempting to do this with all means at their disposal. Everything will be done on the part of German authorities to bring the troops up to a maximum strength.

Approximately 9,000 men and 300 tons of Army equipment were ferried to North Africa by air between 2 and 17 Jul. In view of urgent missions it is doubtful whether the Air Force will get its much needed rest. Ferrying replacements and reinforcements for anti-aircraft artillery units is a special task with high priority which has already been started. The reduction in air operations against Malta ordered by the Italian High Command does not meet with Kesselring's approval. A decision by the Duce will be requested if necessary.

Summary: Rommel's able leadership, the stamina of German troops which has won them the enemy's respect, and the effective support of the Air Force will combine to overcome the crisis with the aid of an increasing flow of supplies, fatigue symptoms notwithstanding, and our forces will be brought up to full strength. Morale is high. The soldiers know what is at stake.

III. The Commander in Chief, Navy has decided against the construction of Walter submarine V 300. A new submarine is to be built instead, incorporating features based on experiences gained so far. The aim is to create a submarine capable of operating in the Atlantic at high underwater speed (V 301). The Naval Staff attributes decisive importance to such a submarine. The Submarine Division, Naval Staff has requested the Naval Construction Division and the Naval Ordnance Division to take charge of further details.

Situation 18 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

According to an intelligence report from Portugal based on a conversation overheard in American naval circles, 65 U.S. ships were in the latitude of Freetown in the first week of July. These included some very large troop transports and warships, among them

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3 aircraft carriers and 6 cruisers. Subsequently, a convoy with 80,000 men and materiel for the North Africa front is said to have arrived at Pointe Noire. Troops and equipment are continuing to Leopoldville by rail, and from there by truck to the Sudan via the newly-built highway, etc.

2. Own Situation:

The Naval Attache in Tokyo has forwarded an extract of the war diary of ship "10" covering the period from 20 Mar. to 15 Apr. A first analysis yields the following information:

a. Tactics used in capturing enemy vessels: The ship's plane flies reconnaissance, reporting its findings by micro-wave. A photograph is taken when the plane is in doubt. In 3 cases the plane tore the enemy ship's antenna. After that the enemy ship is bombed from the air. Ship "10" takes the enemy under long-range fire, sometimes using the plane as spotter. The captain reports that air reconnaissance and the technique of tearing the enemy's antenna were extremely important. The afternoon proved a good time for attack. Night time captures with the use of radar proved completely successful. It was possible to approach the enemy unobserved up to 1,700 meters. Tearing the antenna and using radar made it possible to capture 5 ships without their sending out any signals.

b. The shipping routes between Capetown and Pernambuco and Capetown and La Plata which the Naval Staff had transmitted to the ship proved to be well travelled. In transferring to the Indian Ocean, the Cape of Good Hope was passed at 43° S; this is the closest a ship can get to the Cape in passing it.

c. Secret material captured aboard the AUST reveals the following British recognition signals: The warship calls NNJ by visual signals; the called ship turns off at top speed and at the same time gives her international signal letters by Morse code. The warship answers with the two middle letters of the secret call signal of the called ship, which in turn answers with the two outer letters of her secret call signal. This procedure is not used in the vicinity of the coast or in certain special patrol areas. A similar procedure is used between planes and merchant ships. The plane requests the merchant ship by a white smoke signal to give her signal letters. The rest of the procedure seems to be the same as above.

d. Further analysis will follow.

All ships in foreign waters are being informed of the above via Radiogram 0143.

Information on enemy situation via Radiograms 1140 and 2253.

II. Situation West Area

1. Enemy Situation:

According to radio intelligence 6 ships, 5 submarine chasers, and several smaller ships were at sea in the Portsmouth area.

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2. Own Situation:

Atlantic Coast:

The mouth of the Loire has been opened to shipping. Otherwise nothing to report.

The Japanese submarine I "30" passed the equator near 20°W at 0000 and intends to arrive at point L II on the morning of 5 Aug. Reports so far received from the submarine indicate that it will not be necessary for her to dock or undergo large-scale repairs. Her captain intends to leave port again on 17 Aug. Corresponding information to the Commanding Admiral, Submarines and Group West via Telegram 1627.

Channel Coast:

Coastal batteries in the area between Le Havre and St. Valery en Caux were alerted from 0439 to 0540 because suspicious vessels had been reported sighted from the coast.

The convoy which is en route from Cherbourg to Alderney was raided by enemy planes. Two of the attacking planes were shot down for certain, while 2 others were probably shot down. Two patrol vessels were damaged by hits which caused casualties.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

3 ground mines were swept along the shipping route from Schiermonnikoog to Ameland. Escort service proceeded as planned; mine-sweeping activities were limited by bad weather. Starting at 2210 several located targets were fired upon off Hook of Holland without observation of effect. No damage was reported from an enemy air raid on batteries in the area of southern Holland between 1200 and 1510.

2. Norway:

Enemy Situation:

A periscope was sighted by a German submarine off Vest Fjord at the southern tip of the Lofoten Islands.

Own Situation:

26 shipwrecked persons landed in Gamvik on 16 Jul. They were from a steamer which had been sunk in convoy PQ "17". The steamer BOCHUM carrying a cargo of ore scraped bottom in the fog and was beached in Muken Bay. The chances for successful salvage operations are good.

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The cruiser KOENIGSBERG was floated on 17 Jul. She was beached in shallow water in Santvik Bay for further salvage.

Enemy air activity over Trondheim and Stavanger on 17 Jul.

Group North informs the Fleet Commander that the return voyage of the LUTZOW is planned for the new moon phase in August. A final decision will be made after a shipyard has been assigned.

3. Arctic Ocean:

Enemy Situation:

According to an intelligence report from Stockholm, all British and American convoy captains were informed that the port of Murmansk would again be accessible after 9 Jul. The Murmansk railroad has apparently been reopened to traffic.

According to radio intelligence, a radio station 3 miles northeast of Navelok (Novaya Zemlya) sent out an unidentified code word at 1428. Air reconnaissance sighted a southbound steamer and another one lying to in the vicinity of Moller Bay (Novaya Zemlya). Two steamers and 2 patrol vessels were observed in the evening in the Iceland area off Langanes.

Own Situation:

4 submarines sailed for the operations area in the Arctic Ocean.

IV. Skaggerak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

12 Russian submarines were detected on 17 Jul. through their radio messages. Submarines were sighted in quadrants AO 3519, AO 3639, and AO 6467.

2. Own Situation:

Convoy and escort service proceeded according to plan in the area of the Commanding Admiral, Defenses, Baltic Sea. A ground mine was swept near Darsser Ort. Mine-sweeping operations in the eastern Baltic Sea and in the Gulf of Finland were hindered by the weather. The sighted enemy submarines were attacked. Convoy service proceeded uneventfully.

V. Merchant Shipping

The Foreign Office reports that the German and Italian Ambassadors at Madrid have recently lodged a protest with the Spanish Foreign Office against the interference of British authorities in Spanish shipping and commerce inside Spain. See War Diary, Part C, Vol. VIII for details.

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See brief report No. 21/42 of the Foreign Merchant Marine Branch, Naval Intelligence Division, Naval Staff for the demand by the British Railroad Association for complete coordination of all land, sea, and air transport and all associated industries through seizure and public ownership in conjunction with the trade unions. The brief report also contains a description of the activities of the British tugboat CARNEVAL along the Portuguese coast; data on Spanish ore shipments to Great Britain, which amounted to only 394,472 tons from January to May 1942, as compared to 467,390 tons in the same period last year; and a report on ships in eastern Mediterranean ports, the number of which diminished appreciably in Alexandria and Port Said during the first week of July as compared to the preceding month, while the number of vessels in Suez and Port Tewfik increased remarkably.

VI. Submarine Warfare

1. Enemy Situation:

Some of the beacon lights at the entrance to New York have been extinguished. Several submarine sighting reports were intercepted from waters off the American coast and the West Indies.

2. Own Situation:

Contact with the convoy north of the Azores was reestablished in quadrant BD 6593. One submarine reported the convoy to consist of 16 ships proceeding in a line abreast at wide intervals.

Submarine U "564" (Lt. Suhren) reports torpedoing 4 steamers of the convoy and a subsequent depth charge attack by 2 corvettes. Contact was maintained until midnight. For further details see supplementary submarine situation report in War Diary, Part B, Vol. IV.

The Naval Staff informs the Commanding Admiral, Submarines that a German auxiliary cruiser is at present operating in the area of the Gulf of Guinea outside of the area which has been opened to submarine operations. No successes have as yet been scored; if there are successes, they might lead to a rerouting of enemy shipping. The Commanding Admiral, Submarines is requested to furnish information about the time and place of operations of Group "Hai", since this information is necessary for continuing the auxiliary cruiser operation.

Group North suggests that submarine U "378", which has been used for several months for open-water torpedo firing in Trondheim, be used for the tests of the Communications Equipment Experimental Command in the Skagerrak (see Telegram 1913).

VII. Aerial Warfare

1. British Isles and Vicinity:

Middle Hampton and a patrol vessel were attacked during the day. Enemy planes, probably Russian ones, raided East Prussia

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during the night of 18 Jul. The focal point of the attacks was Koenigsberg, where minor damage to buildings and materiel is reported.

2. Mediterranean Theater:

Heavy air raids on Malta. The Africa Panzer Army received strong air support, directed particularly against enemy motor vehicle concentrations south of El Alamein.

3. Eastern Front:

20 planes were reported downed in the course of missions supporting the attacking armies. A steamer was bombed in the Arctic Ocean at the northeastern tip of Iceland, without observation of effect.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

According to an Italian report, 4 steamers were damaged in the course of the special operation conducted by Italian forces against Gibraltar on 14 Jul.

An intelligence report from Spain states that air patrols over the Strait of Gibraltar have been intensified.

German air reconnaissance spotted the British cruiser in Valletta as late as 0820.

In the eastern Mediterranean the normal amount of patrol and convoy activity was observed in the Alexandria area. Two westbound destroyers were sighted 24 miles west of Alexandria at 1845.

2. Own Situation:

Mediterranean:

During the night of 17 Jul., 2 vessels of the 3rd PT Boat Flotilla proceeded on a torpedo mission in the area northwest of Alexandria without contacting the enemy. Five vessels of the 6th Motor Mine Sweeper Flotilla were engaged in convoy duty off the North African coast. Two vessels scored hits on enemy torpedo planes when the latter attacked the escorted steamer CITTA DI AGRIGENTO.

During the night of 17 Jul., 3 British destroyers fired 20 salvos at Marsa Matruh without causing any appreciable damage.

The Naval Staff is of the opinion that the Admiral, German Naval Command, Italy should return to Rome soon, at least temporarily. Affairs in North Africa can be handled by Lt. Commander Meixner for the time being. Permanent representation, perhaps by the appointment of Captain Aschmann, which meets with the approval of the Naval Staff, would have to be arranged in Rome. The Chief of Staff, Naval Staff wires the above viewpoint to the Admiral, German Naval Command, Italy (see Telegram 1640).

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3. Situation Italy:

The 7th Italian Cruiser Division comprising 2 cruisers and 3 destroyers left Naples at 1500 in order to intercept the British cruiser in case she leaves Valletta after sundown.

According to a report from the German Naval Command, Italy, the Italian Navy has ordered the transfer of 65 naval barges to North Africa. The transfer is already in progress. 4 naval barges have arrived in Crete and 8 in Piraeus. The date on which the operation will be completed cannot be estimated at this time.

16 Italian submarines were at sea in the Mediterranean.

Special Items:

The Admiral, German Naval Command, Italy fully shares the opinion of the Chief of Staff, Naval Staff concerning the lack of uniform command in the Mediterranean and African theaters. This condition has always existed and has undergone no fundamental change since the appointment of a Commanding General, Armed Forces, South. The Commanding General, Armed Forces, South is not even responsible for the German forces, nor is he authorized to dispose of them as he sees fit. Field Marshal Rommel makes his own decisions without consulting other branches of the Armed Forces, thereby forcing the hand of the Commanding General, Armed Forces, South. This fact has placed the latter in a difficult position, since he regarded the situation as more serious from the beginning and was against a further advance to Egypt. The position of the Commanding General, Armed Forces, South is also difficult with regard to the Italians, inasmuch as he has no command authority over them and because the Italians, though they do occasionally follow his advice, do just as they like in the end. Particularly in the case of decisions which they were finally persuaded to accept, they often modify them in the execution to suit their own purposes. There is, therefore, no unity of command in the Mediterranean. There is rather a multiplicity of command moderated by an attitude of understanding and good will on the part of most of the top authorities. The Commanding General, Armed Forces, South personally does very much to reconcile different opinions; without him chaos would prevail. Any basic changes in the situation can only be brought about by the Fuehrer and the Duce. A request for this can be initiated only by the Commanding General, Armed Forces, South. Telegram of the Admiral, German Naval Command, Italy as per l/Skl 17564/42 Gkdos. in War Diary, Part C, Vol. XIV.

4. Transport of Supplies to North Africa:

The steamer GUALDI arrived in Tobruk in the afternoon of 17 Jul. Seven German naval barges have been en route from Tripoli to Benghazi since the evening of 16 Jul. The motor ship LERICI left Suda for Benghazi in the evening of 17 Jul. All other transport movements proceeded uneventfully and as planned.

The total amount of cargo unloaded at Derna between 1 and 30 Jun. amounted to 5,912 tons.

The amount of cargo unloaded at Tobruk during 17 Jul. amounted to 650 tons.

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5. Area Naval Group South:

Aegean Sea:

Destroyer ZG 3 will be out of action until 21 Jul. because of repairs on the electrical system and the port propeller shaft bearing. The Turkish submarine which sank off the Dardanelles on 16 Jul. apparently went down with her entire crew. Otherwise nothing to report on the naval situation.

Black Sea:

Enemy Situation:

According to radio intelligence, the Russian Fleet Command, 1 cruiser and several destroyers were at sea. A periscope was clearly seen west of Ochakov. Two or 3 ships bombarded the coast of Mariupol during the night of 17 Jul. Landing attempts were repulsed.

Own Situation:

During the night of 17 Jul. enemy forces supported by naval gunfire attacked Mariupol. A direct hit on the staff building of the Naval Shore Command, Crimea caused damage. Escort service proceeded according to plan.

Special Items:

a. The 4 naval barges for operation "Bluecher" are en route from Palermo to Piraeus where they are to be camouflaged as merchant ships. From Piraeus they are to proceed to Salonika where they will be held in readiness for their transfer to the Black Sea. The attempt will be made to have them ready for transfer on 25 Jul. The Naval Staff informs the Armed Forces High Command, Operations Staff, and the Army General Staff about the above with the reminder that these naval barges can only be used to transport the 52-ton Russian tank but not German heavy tanks, because they are too wide.

b. If the operations in the East continue to progress successfully, it will become necessary to commit Axis naval forces in the Caspian Sea. The Naval Staff therefore is investigating all possibilities and is making the necessary preparations to be able to transfer German and Italian naval vessels from the Black Sea to the Caspian Sea without loss of time. The only method of transfer is overland; therefore only small vessels can be considered. The German Naval Attache in Rome is therefore requested to check with the Italian Admiralty whether the Italian Navy is able to furnish vessels for the Caspian Sea in addition to the Italian submarine chasers and motor boats in the Black Sea. The Italian Admiral attached to the Naval Staff has been informed of this request.

• Copy of corresponding order 1/Skl I op 17396/42 Gkdos. in War Diary, Part C, Vol. XIVA.

IX. Situation East Asia

Nothing to report.

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X. Army Situation

1. Russian Front:

Army Group A:

The southern wing at the Italian Army sector has started to move eastward and has gained 10 to 15 km of terrain. The movements of the northern wing proceeded according to plan. Enemy withdrawals in southeasterly and easterly direction were observed. Our forces broke through fortified field positions east of Repnaya. The outskirts have been reached. A bridgehead across the Likhaya has been established near Chernetsev.

Army Group B:

At the southern wing our artillery shelled heavy enemy rail traffic going in westerly direction. Hungarian troops repelled an enemy attack near Yaryv and reached the Don. The situation in front of Voronezh remains unchanged.

Central Army Group:

Partisans were fought in the south. The pocket south of Byeloi was further hemmed in.

Northern Army Group:

Fighting in the area around Staraya Russa.

2. Finnish Front:

No important fighting has been reported from 16 Jul.

3. North Africa:

The enemy launched no heavy attacks during the night of 17 Jul. and on 18 Jul. Several weak thrusts were repulsed. Our positions are being strengthened with the aid of old fortifications. The supply situation of the Panzer Army is critical due to the loss of vessels BROOK and STURLA and the destruction of the fuel dump in Tobruk.

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Items of Political Importance

France:

According to news agency reports, the Vichy Ambassador in Washington was not received by Under-Secretary of State Welles but by a subordinate official when he called to discuss Franco-American relations, the question of the vessels in Alexandria, and the French protest against the de facto relations between the U.S. and De Gaulle. Washington diplomatic circles consider this a deliberate affront to Laval. Official circles in Washington are inclined to regard Petain's order to the French warships in Alexandria to defend themselves against the British as an open challenge.

Great Britain:

Minister of Production Lyttleton delivered a speech in which he called attention to the serious situation in the Soviet Union. He declared that Great Britain has met all contractual obligations for the delivery of tanks and planes, even though the convoys had to run the German gantlet in the Arctic Ocean. In little over 9 months more than 2,000 tanks were shipped to Russia, and up to the end of May, 11% more planes were shipped than had been promised. If the Germans should succeed in conquering the Caucasian oil fields, they would be in a position to wage a long war. The main Russian forces then would be cut off from this oil, while Great Britain would face a threat to her own oil supplies in Iran and Iraq. At the same time the Atlantic supply routes are being threatened by German submarines and new dangers may arise at any moment in the Eastern Hemisphere and in the Pacific. Lyttleton expressed the hope that the Russian defensive would develop into a counter-offensive. The next 80 days, however, will be the most difficult yet.

The extent to which the decisive importance of the Battle of the Atlantic has been recognized by the British can be seen from the fact that today, on Sunday, all churches in Great Britain are holding special services for the Royal Navy and the Merchant Marine. The minister in St. Paul's Cathedral declared that "not only does victory depend on this silent battle of the seas", which he called much more deadly than the fighting in Russia and Egypt, "but also the prospect for the survival of Great Britain as a nation. The future of the whole world depends on our seamen." A message from the King expressed the gratitude of the Empire to the Royal Navy and the Merchant Marine for their bravery. The entire press is writing in the same tenor, indicating Great Britain's most vulnerable spot.

U.S.S.R.:

The Japanese press reports from Kuibyshev that the internal situation of the Soviet Union is difficult, that the living standard has declined, and that there is danger of inflation. Chaotic conditions and fantastic prices are said to prevail on the so-called open market.

Brazil:

High officials have been dismissed because of their opposition to the government's foreign policy.

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Special Items:

I. For the information of a very restricted circle, the Armed Forces High Command, Operations Staff, Navy has forwarded an abstract of the Fuehrer directive for the continuation of operations on the Eastern Front. For security reasons a copy will not be entered in War Diary, Part E, File "Barbarossa II" until a later date.

Of importance as far as the Navy is concerned is the fact that operation "Bluecher" has been cancelled.

II. Upon the suggestion of the Naval Staff concerning the escape of French naval forces in Alexandria (see War Diary 15 Jul.), the Chief of Staff, Armed Forces High Command has decided the following:

1. There will be no further negotiations to make the Italians change their minds.

2. In answer to the French inquiry no definite port at all is to be indicated for the time being. By arrangement with the Italians the French are to be told in a very general way that they can count on appropriate temporary refuge and supplies in the area of southern Greece or the Aegean Sea in the event their forces in Alexandria do escape and are unable to reach Bizerte or another French harbor.

The French are to be told in general to head west, and that more definite information about the port of destination and the course to be followed will be supplied them in due time whenever the need arises according to prevailing circumstances.

3. The Armistice Commission, by arrangement with the Naval Staff Operations Division, is preparing measures enabling us, if necessary, to direct the French ships to Piraeus via the passage northwest of Crete without previously consulting the Italians.

See Telegram 2030 for a copy of the corresponding directive to the Naval Staff, the German General at the Headquarters of the Italian Armed Forces, and the Armistice Commission.

III. The Commanding Admiral, Submarines submitted a copy of his report to the Fuehrer on 14 May 1942 for entry in the War Diary of the Naval Staff. The entry as per 1/Skl 1375/42 Gkdos. Chfs. will be combined with the minutes of the Commander in Chief, Navy on the latter's report to the Fuehrer on 14 May in War Diary, Part C, Vol. VII.

IV. The report by the PT Boats Section, Naval Staff Quartermaster Division on "Construction Activity in 1942" which was rendered on the occasion of the conference of the chiefs of staff in July 1942 does not contain anything basically new, but does once again demonstrate the necessity for continuity in building up the fleet. Copy as per 1/Skl 17511/42 Gkdos. is in War Diary, Part B, Vol. V.

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Situation 19 Jul. 1942.

I. War in Foreign Waters

1. Enemy Situation:

No reports received.

2. Own Situation:

No reports have been received from German ships in foreign waters.

Information about the enemy situation via Radiogram 2628.

II. Situation West Area

1. Enemy Situation:

In the afternoon air reconnaissance located 12 steamers west of the Isle of Wight and 18 steamers near Trevoze Head.

Radio intelligence detected 5 ships in the area of Portsmouth and 4 naval vessels at sea.

Special Items:

According to Group West's estimate of enemy mine-laying activity in the west area during the month of June, the enemy concentrated his ground mines at the narrowest part of the Channel during the first half of the month. Fewer mines were laid off submarine bases along the Atlantic coast. For the first time a field of moored mines was laid in the southern part of the Bay of Biscay by a submarine. A similar mine field was observed northwest of Calais. Neither of the two mine fields interferes with German shipping. During the second half of June the focal point of ground mine operations shifted to the west coast. Planes dropped an unusually large number of mines off the submarine bases, with the exception of Brest. Troop transport routes to Ile de Groix and Belle Ile were recognized by the enemy and mined.

The suspicion is growing that the enemy is again using ground mines which are detonated acoustically. No proof of this has yet been established. The Group also expects the enemy to lay moored aerial mines in the future. The Group concludes, undoubtedly correctly, that no definite conclusion can be reached on enemy landing intentions on the basis of mine-laying activity during the above period.

2. Own Situation:

Atlantic Coast:

Strong enemy fighter forces over the Brest area at noon.

La Pallice is closed because of mines. Code name for Japanese submarine I "30" to be used in communications between the Naval Staff, Group West, and the Commanding Admiral, Submarines is "Kirschbluete".

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Mine-sweeping and convoy activity according to plan. Two mines were swept.

Channel Coast:

In addition to the 2 patrol vessels which had been attacked between Cherbourg and Guernsey (see War Diary, 18 Jul.) and which, according to a correction of the previous report, were unescorted, 2 harbor defense vessels were also attacked by 12 Spitfires on 18 Jul. One of these had to be towed into Alderney and beached.

At noon strong enemy air forces (50 Spitfires) attacked vessels engaged in a submarine chase and caused heavy personnel losses aboard submarine chaser UJ "1402". During the afternoon 25 Boston bombers escorted by fighters were over the Nieupoort area and an equally strong force was over the Somme estuary and the Boulogne area. No damage has been reported.

Mine operations "Reseda" and "Rhein" will be carried out during the night of 19 Jul.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance observed heavy convoy traffic along the east coast of England. 94 steamers were counted in 3 convoys between 1200 and 1900.

Own Situation:

One ground mine each was swept near Borkum and Wangeroog.

Convoy and mine-sweeping activities did not take place because of bad weather. The patrol positions off the Dutch coast were not occupied.

2. Norway:

The ECKOLDT is transferring from Trondheim to Narvik. An enemy air raid on Honningsvaag is reported from 17 Jul., enemy air activity over Kirkenes and Banak is reported from 18 Jul. On 19 Jul. another air raid on Honningsvaag and air activity over the area of Stavanger. Minor damage in Honningsvaag. Five of the attacking enemy planes were shot down over Banak.

3. Arctic Ocean:

Enemy Situation:

Radio intelligence detected a British ship north of Kola around 1500. She seemed to be coming from Gorlo Strait. The supply situation of the signal stations in the Arctic Ocean area seems to be difficult as far as bread and clothing are concerned.

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Own Situation:

The 4 submarines en route to their positions have reported passing 69°N. Submarine U "601" has been ordered to patrol Matochkin Strait where 4 steamers and 3 patrol vessels have been reported.

Special Items:

The Admiral, Arctic Ocean reports on the valuable data concerning convoy PQ "17" which were picked up from the PAULUS POTTER by submarine U "255", which include the following: sailing instructions for the convoy and for scattered ships, directions for approaching various harbors in the Arctic Ocean, as well as the exact composition of the convoy with the position of the various steamers. Captured radio data and instructions have been sent by courier to the Chief, Communications Division, Naval Staff. Copy of telegram to this effect as per l/Skl 17632/42 Gkdos. in file "Roesselsprung".

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Radio intelligence reports that an unidentified vessel was ordered to watch out for a submarine periscope north of Demantstein Bank; 2 other ships were ordered to keep a special lookout for shipwrecked persons.

2. Own Situation:

Convoy and escort service proceeded according to plan in the area of the Commanding Admiral, Defenses, Baltic Sea. The situation report of the Commander, Mine sweepers, Baltic Sea of 1600 does not contain any important news. (See Telegram 1650.)

Group North reports its estimate of the Baltic Sea situation with regard to submarine danger and anti-submarine measures as per request of the Naval Staff.

The Group estimates that 11 enemy submarines have been destroyed, that 6 more have probably been destroyed and that another 6 have been damaged. One enemy submarine is suspected off Rixhoeft and one off Irbe Strait. The submarine danger has been exaggerated as the result of a "submarine psychosis". The enemy so far succeeded in sinking 3 German, 3 Swedish, 1 Danish, and 1 Finnish steamer, a total of 16,368 GRT.

As far as the war on submarines is concerned, the Group asks that in addition to its own measures the Swedish Navy be asked to take charge of submarine chasing in the non-mined area between Utlängan and Oeland in order to facilitate the job of the forces of the Commander, Mine Sweepers. For further measures see copy of the corresponding telegram from Group North as per l/Skl 17625/42 Gkdos. in War Diary, Part C, Vol. III.

The Naval Staff has no comments to make on measures taken or planned by the Group. The request to approach the Swedish Navy to take over the submarine chase will be investigated.

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V. Submarine Warfare

1. Enemy Situation:

Radio intelligence reports a plane hovering over a submarine about 200 miles north of Ferrol. A British ship was located about 320 miles northwest of Cape Vilano; other ships were located 300 miles west and 180 miles southwest of Rockall Bank; a U.S. cruiser was located 275 miles west of Porcupine Bank. Convoy HX 198 was in quadrant AK 6380 and passed points 54° 25' N, 43° 25' W, and 56° 00' N, 35° 30' W.

According to radio intelligence, the American submarine P "5" was off Long Island on 15 Jul. in quadrant CA 2930, course unknown.

The Naval Attache in Buenos Aires reports that all ships leaving La Plata which are not en route to the U.S. are calling at Free-town. Ships with U.S. ports as their destination are escorted to Rio de Janeiro by a U.S. cruiser or 2 destroyers, and from there to the Caribbean Sea by planes. Ships making over 15 knots are supposed to be equipped with devices for throwing depth charges.

2. Own Situation:

In the North Atlantic, Group "Wolf" was sent against a westbound convoy which radio intelligence reported in quadrant AK.

Contact was lost for a while with the convoy north of the Azores, but was reestablished during the afternoon only to be lost again in the evening. The operation against the convoy continues. Having fired quadruple and twin spreads at the convoy, submarine U "108" heard 5 torpedo detonations but was unable to observe anything else since she was driven off.

In the western Atlantic, submarine U "332" sank the steamer LEONIDAS M (4,573 GRT) in quadrant CC 8279. She was loaded with manganese ore and was en route from Rio de Janeiro to Sidney.

In the West Indies area submarine U "575" sank the tanker SAN GASPAR (12,910 GRT) in quadrant EE 7778. The tanker exploded with her full load. The submarine also sank 2 cargo sailing vessels.

Submarine U "160" sank a steamer of the CITY OF PRAETORIA class (9,000 GRT) in quadrant ED 9865, while submarine U "84" sank a steamer of 6,500 GRT in the western exit of the Florida Strait.

Submarine U "66" laid mines near Trinidad as ordered. For further reports see supplementary submarine situation report in War Diary, Part B, Vol. IV.

The Japanese submarine I "30" has been informed that she must now expect to encounter German and Italian submarines along her route.

VI. Aerial Warfare

1. British Isles and Vicinity:

Armed daylight reconnaissance was flown against the coast of England and enemy convoys. The attacks remained without

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success. During the night of 19 Jul., 40 enemy planes raided Germany. Focal points of attack were Bremen and Oldenburg.

2. Mediterranean Theater:

The raids on Malta continued. Several probably unsuccessful raids were carried out against the mine-laying cruiser that had left Valletta.

The Africa Panzer Army was given strong support.

3. Eastern Front:

While giving support to our attacking armies, our planes shot down at least 55 enemy planes. This includes 17 planes downed in the area of the 5th Air Force.

Rosta and Murmashi in the Arctic Ocean were attacked with observed effect.

A hit was scored on a small steamer of 500 GRT in the Gulf of Finland.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

The cruiser EMERALD has arrived in Gibraltar from the west. The cruiser which was in Valletta presumably left port in the afternoon of 18 Jul. and passed the Strait of Sicily heading west during the night of 18 Jul. She first was discovered by German reconnaissance planes at 0906, northeast of Cape Bougaroun. She was proceeding on a westerly course and was shadowed until 1625. She was last reported 55 miles northeast of Algiers.

In the eastern Mediterranean only a little shipping was observed in the Alexandria-Haifa area. A German submarine sighted a large escorted troop transport on a southeasterly course 17 miles off Haifa. Photo reconnaissance of the harbor of Suez revealed one cruiser, apparently of the C class; one monitor; 2 destroyers, one of them Greek; 55 merchant ships with a total of about 355,000 GRT, including a large passenger steamer of the QUEEN ELIZABETH class; and 8 tankers with a total of about 27,000 GRT.

2. Own Situation:

Mediterranean:

PT boat S "61" transferred from Augusta to Palermo; PT boats S "35" and S "36" transferred from Palermo to Augusta.

18 Italian submarines were at sea in the Mediterranean.

Due to the order limiting preparations for operation "Bluecher", the Armed Forces High Command, Operations Staff has again permitted that the 4 naval barges equipped for transporting very heavy tanks

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be used in the Mediterranean where they still are situated. (See Telegram 1430.)

The Naval Staff has inquired from the German Naval Command, Italy what intentions the latter has with regard to laying mine fields, for the temporary protection of coastal waters off the supply ports.

(See Telegram 1818.)

3. Transport of Supplies to North Africa:

Seven German naval barges arrived in Benghazi on the evening of 18 Jul. Eleven Italian naval barges are en route from Suda to Sidi Abaida. Sixteen auxiliary sailing vessels have been put into shuttle service on the route between Crete and Africa. No report has as yet been received about the arrival of the motor ship LERICI in Benghazi.

Since Marsa Matruh has repeatedly been shelled by enemy destroyers and is subject to constant air raids, the Admiral, Aegean Sea has requested the Chief Quartermaster, Rome not to have ships call at this port in view of the fact that lost shipping space cannot be replaced.

The Armed Forces High Command, Operations Staff issued a directive that the Armed Forces High Command must be kept fully informed about the current status of personnel and supply shipments and the reinforcements ordered in North Africa. This order does not concern the Naval Staff. Copy of the directive as per 1/Skl 17627/42 Gkdos. in War Diary, Part C, Vol. XIV.

4. Area Naval Group South:

Aegean Sea:

Naval situation unchanged.

The Admiral, Aegean Sea reports that there is no need for transferring a squadron of the 125th Reconnaissance Group. The Suda Arado planes (originally three) have already been reinforced so as to constitute a squadron. If many invasions are to be flown there always is the possibility of temporarily drawing forces from the 126th Reconnaissance Group. The Naval Staff will not interfere with dispositions of the Air Force.

Black Sea:

Enemy Situation:

An increase has been noted in the movements of surface forces in the northeastern Black Sea. Few submarine movements.

Own Situation:

Harbor and railroad installations at Kamysh Burun were shelled in the morning of 18 Jul. As a result of an enemy air raid and shelling of Taganrog during the night of 16 Jul., one ship of the Loeper Flotilla sank, while another one was badly damaged.

Mine-sweeping activity and convoy service proceeded according to plan and uneventfully.

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VIII. Situation East Asia

No reports received.

IX. Army Situation

1. Russian Front:

Army Group A:

The left wing of our forces was able to advance 15 to 20 km to the southeast.

Army Group B:

After crossing the Donets southeast of Kamensk, our forces reached Federovski in the course of their further advance to the southwest. They succeeded in occupying Konstantinovskaya and Tsymlyanskaya, key points for crossing the Don to the south. The troops moving along the Don reached the Tsutskan sector. The enemy has begun his expected counterattack at the northern flank of the Voronezh bridgehead. The attack was repulsed in heavy fighting all along the front.

Central Army Group:

No local fighting.

Northern Army Group:

Enemy attacks launched against the II Army Corps from three sides were repulsed. Fighting directed against the land strip from the north is still in progress.

2. Finnish Front:

No important fighting to report.

3. North Africa:

The enemy launched several reconnaissance thrusts at the southern and central sectors which were repulsed. He reinforced his positions at the northern sector by mine fields and barbed wire. The Air Force carried out successful attacks against enemy tank and motor vehicle concentrations.

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Items of Political ImportanceGreat Britain:

On the basis of observations on the present situation in Great Britain from a reliable French agent, a diplomatic source reports that a decided social evolution is in progress in that country supported by the trade unions and by wide church circles. There is no danger of the country becoming communistic. In spite of all internal political differences, the determination to continue the war prevails among all classes. Even a collapse of the British Mediterranean front would not change the picture. While the military situation in the East and Southeast is being viewed with increasing concern, the problem of shipping space dominates all other problems. The fact that all classes of the British population are firmly convinced of final victory is confirmed also by the statements of Portuguese officers returning from England. For details see Political Review No. 167, paragraph 2d.

India:

According to Swedish reports, London Government circles are closely watching the developments in India. It cannot be doubted that Great Britain will take the most vigorous measures if India's defenses are jeopardized by the attitude of the India Congress. British concessions to the Congress Party are said to be out of the question, since the offer made by Cripps are Great Britain's last word.

Finland:

Finland regards the break of U.S. consular relations as unfair pressure. According to Swedish press reports, Helsinki expects a Government crisis in connection with the Karelian supply situation and the new Government tax program.

Conference on the Situation with the Chief, Naval Staff

I. The Chief, Communications Division, Naval Staff reports about the performance of the Naval Signal Battalion since its employment in the southeast area 6 months ago. It laid a total of 3,400 km of wire communications. It is planned to use a motorized radio company with very heavy equipment. The report also contains favorable experiences made with shipborne radio intelligence detachments during operation "Roeselsprung" and aboard the PRINZ EUGEN.

II. The Deputy to the Chief, Quartermaster Division, Naval Staff reports about the inspection trip to the Crimea of the Chief of the Fleet Branch, Quartermaster Division, Naval Staff. The most suitable location as a base for light combat forces is at Ivanbaba. The installation of a captured 20.3 cm battery is recommended for Sevastopol, so that the 28 cm battery "Tirpitz" which was originally planned for this purpose could be left at Constanta; this appears desirable for political reasons with regard to the head of the government, Antonescu.

The Chief of Staff of the Naval Staff points to future German interests in the Crimea. Since the Black Sea will be in the German sphere of influence, the Crimean bases will play an important part.

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III. The Naval Staff Operations Division, Foreign Affairs Section reports the decision of the Chief of Staff, Armed Forces High Command about the Naval Staff's proposal for a reply to the French delegation regarding the sailing of the ships at Alexandria. See War Diary of 18 Jul.

A report is also made on the Japanese refusal to agree to the establishment of a naval office at Singapore. For details see War Diary, Part C, Vol. VIII.

IV. The Chief of the Naval Intelligence Division reports that the British and the Japanese have agreed to exchange about 1800 non-military war prisoners at Lourenco Marques; 1 Japanese and 2 British steamers are to be used for this purpose.

In a Very Restricted Circle:

V. The Chief of Operations Branch, Naval Staff Operations Division reports:

a. Group North has decided that in accordance with the Fleet Command's proposal, the KOLLN will not participate in operation "Eis-palast".

b. Operation "Wiesengrund" will not be executed in the coming fall according to the decision of the Operations Staff, Armed Forces High Command. Thus, the 2 landing flotillas of 60 barges each which had been requested for this purpose will not be needed until the spring of 1943. The Chief of Operations Division, Naval Staff has informed the Quartermaster Division, Naval Staff to this effect.

c. On 17 Jul., the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters supplemented his report to the Chief of Staff, Naval Staff concerning the operations in Lapland as follows:

"Supplement to yesterday's notification concerning the Lapland operations: The Fuehrer reemphasizes the decisive importance of holding our position in northern Finland in view of its nickel mines, which are the only ones within our reach. Jodl reported that the Commanding General, Lapland feels no concern in this respect and can see no reason for any apprehension, since the difficulties of terrain offer no chances for successful operations either to Dietl or to the Russians. The Fuehrer did not agree with this argument, because the possession of the nickel mines is of so decisive importance that the greatest sacrifice would be well worth while to Russians and British. He considers this a weak spot. Jodl replied that the Rybachi Peninsula cannot be seized before March, if at all; in order to hold the peninsula, we would have to build defenses and we would need a summer ahead of us to complete them. For this reason, Jodl suggested that the only feasible operation is a thrust toward Kandalaksha in order to cut the Murman railroad. The Fuehrer pointed out that this would make sense only if at the same time the Russians could be prevented from strengthening their position at Murmansk, that is, if the flow of supplies by sea could be cut also during the winter. Jodl indicated that this might be accomplished during the winter by mines. The Fuehrer wants this problem examined. In my opinion it would be possible if all preparations are made in time. Jodl believes that it would be advisable for the Naval Staff to work out such a plan for the Fuehrer's information.

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The Chief of the Operations Division, Naval Staff issues appropriate orders with regard to the mine-laying operation.

In the same report, Vice Admiral Krancke writes as follows:

"A statement by Jodl makes me believe that in view of the success of the submarine and air force operation against convoy PQ 17 the Fuehrer will object to the use of the large ships more than before until the aircraft carriers are ready for operations. On the other hand, the Fuehrer was glad to learn that the KOELN has arrived at Trondheim. He evidently wants to keep the ship there only for defensive assignments. In my opinion, this is hard on the crews, but I doubt that he can be made to change his mind."

For report see l/Skl I a 1388/42 Gkdos. Chefs. in War Diary, File "Barbarossa II".

d. A report is made about the Fuehrer's directive to continue the operations in the east and to send at least 5 landing barges through the Kerch Strait for use in the supply service on the Don River. (See War Diary of 19 Jul.)

e. A report is made about the account of the Commanding General Armed Forces, South to the Operations Staff, Armed Forces High Command on 18 Jul.; the daily situation report of the Panzer Army, North Africa; and analysis of the situation by the Army General Staff, Intelligence Division, West of 16 Jul. (see War Diary of 17 Jul. and 18 Jul.). On 15 Jul. the High Command, Panzer Army, Africa reported to the Operations Staff, Armed Forces High Command as follows:

"The situation at the Alamein front became critical on 15 Jul. due to the fact that the bulk of the Italian 'Brescia' and 'Pavia' brigades were eliminated, i.e. they were captured or deserted their positions during an enemy night attack by approximately 1 brigade with a few armored cars and tanks.

"Italian troops have lately repeatedly abandoned their positions under artillery fire and could not be brought to resist the enemy, even through the efforts of their officers.

"Due to these symptoms, I feel compelled urgently to request that the Panzer Army be speedily reinforced with additional German forces, particularly rifle and anti-tank units."

Special Item:

Groups West and North are informed that standard mines type F have been released for operational use according to a report of 16 Jul. by the Underwater Obstacles Branch of the Naval Ordnance Division. See l/Skl I E 17532/42 Gkdos. in War Diary, Part C, Vol. VI.

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Situation 20 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

Indian Ocean:

A Greek sailor from a steamer sunk in the Mozambique Strait asserted that 4 Japanese submarines are operating between Porto Amelia and Angoche Island, using a former British-Indian steamer as a base. Between 7 and 10 Jul., 1 American 10,000 GRT vessel and 1 Swedish ship were allegedly sunk in the Moma-Memba area. On 11 Jul., 4 ships with 3,000 U.S. troops and tanks for Egypt passed Capetown.

At 0933 radio monitoring intercepted a message from the British motor ship IINDUS (5,200 GRT) that she had been fired on by a battleship, presumably a raider, at 26° 44' S, 82° 50' E. This report may refer to our operations in that sector.

2. Own Situation:

Evaluation of the DOGGERBANK's war diary proves that the ship's operations were carried out level-headedly, with courage and determination; the Naval Staff expresses appreciation to the DOGGERBANK by Radiogram 1302.

The Naval Attache at Tokyo was instructed on 10 Jul. to arrange for war prisoners who are nationals of a country not at war with Japan to be transported to Germany on one of the next blockade runners. On 17 Jul. this directive was amended to refer only to male prisoners, while women and children may be released after the customary lapse of 3 months.

Information about the enemy situation is sent by Radiograms 0626 and 2223.

II. Situation West Area

1. Enemy Situation:

Photo reconnaissance of the Arne Bay near Poole on 18 Jul. showed that the number of special landing craft had risen from 82 as of 20 Jun. to 180.

Radio monitoring located 2 British warships, 3 patrol vessels and 2 subchasers in the Portsmouth area in the forenoon. Beginning at 2350 continuous location reports were given about our forces.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

The mine-laying mission "Reseda" was executed according to plan, while operation "Rhein" was postponed on account of weather conditions.

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Around noon 1 Spitfire attacked 2 harbor patrol boats off Calais. In the afternoon enemy forces of considerable strength raided signal posts and battery emplacements, especially those in the area between Dieppe and Le Havre. No major damage was reported.

Mine-laying operations "Rhein" and "Gruen" are scheduled for the night of 20 Jul.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Mine-exploding vessels swept 2 ground mines north of Terschelling and north of Ameland. The steamer CONSUL HORN (8,384 GRT) and the motor ship SUED (564 GRT) struck mines northwest of Borkum and sank.

In the afternoon, several enemy reconnaissance planes flew over the German Bight and the northwestern German coastal areas. Our pursuit planes had no contact with the enemy.

2. Norway:

On 18 Jul., 8 rounds were fired at fishing boats and the Nurmansaetti battery from the Rybachi Peninsula, without effect. 4 Russian planes raided Honningsvaag in the afternoon of 19 Jul. and caused considerable damage. All of the attacking planes were shot down by our pursuit planes.

The Narvik Naval Ordnance Arsenal reports a case of sabotage on 19 Jul. which caused no damage.

3. Arctic Ocean:

5 of our submarines will have been stationed in the waters northeast of Bear Island by the night of 20 Jul. as ordered by Group North. The operation will be called off if such action is indicated by the results of air reconnaissance. After a short time out for re-fuelling, these boats will go into operation against convoy PQ 18 between Iceland and Jan Mayen.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Radio monitoring intercepted messages from 9 submarines on 19 Jul., 3 of them communicating with the fleet command.

2. Own Situation:

Nothing to report from the area of the Commanding Admiral, Defenses, Baltic Sea.

Complying with a request of Group North (see War Diary of 19 Jul.), the Attache at Stockholm is instructed to urge the Swedish Navy to take over

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the submarine chase on route "90" between points 51 A, 52, 53, and 54, in order to relieve the Commander, Mine Sweepers, Baltic Sea; however, he is to broach the matter only if he is sure of assent. (See Telegram 1919.)

Barrage "Seeigel 16" was laid in the Gulf of Finland according to plan. Enemy planes raided F 3 and Kotka during the night of 19 Jul.; no casualties or losses were suffered in spite of numerous bomb hits. The ULANGA and ALDEBARAN sailed from Reval at 0900, according to plan, for the transfer of the 7th Mountain Division from Reval to Jakobstad (Pietarsaari). At 2145 the bow of the ALDEBARAN was hit by a torpedo 12 miles south of Utoe, but she remained afloat. The vessel was escorted to Abo by mine sweeper M "1807". Details have not yet been reported.

V. Submarine Warfare

1. Enemy Situation:

Nothing to report.

2. Own Situation:

The operation against the convoy in the western Atlantic (quadrant CE) was terminated. Submarine U "564" reports that the ships of the convoy which were torpedoed in quadrant CE sank. 1 steamer with 2 funnels and unusually high superstructure, possibly an auxiliary cruiser, exploded. Submarine U "108" observed the explosion of a steamer torpedoed by submarine U "564". The latter estimates the total tonnage of the 4 steamers as approximately 23,000 GRT.

No further results were reported. For details see Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

Group North points to the necessity of equipping the submarines of the 11th Submarine Flotilla with radar gear in view of the approach of the season of darkness and bad weather in the Arctic Ocean. See Telegram 2246.

VI. Aerial Warfare

1. British Isles and Vicinity:

Enemy air activity at nightfall over the northwestern German coastal area and northern France; damage was slight. During the night of 20 Jul. weak enemy forces flew over western France and East Prussia.

2. Mediterranean Theater:

Malta was raided by considerable forces and the airfields south of Alexandria were bombed. Other operations included the support of the Panzer Army, Africa and reconnaissance of the Mediterranean waters.

3. Eastern Front:

~~Support of our attacking armies, Reconnaissance on the route~~

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to Spitsbergen had no tactical results.

VII. Warfare in the Mediterranean and Black Sea

1. Enemy Situation Mediterranean:

Early in the morning, the cruiser EMERALD sailed from Gibraltar in a westerly direction, and the EAGLE, the CHARYBDIS, 1 CAIRO class cruiser and 1 destroyer left in an easterly direction.

The cruiser MANXMAN arrived in Gibraltar from Malta at noon, apparently completely undamaged.

According to an unconfirmed Italian agent report, several British and U.S. submarines passed through the Strait of Gibraltar into the Mediterranean during the night of 13 Jul.

Between 2 and 4 destroyers bombarded Marsa Matruh from 0030 to 0200. At 0720 German air reconnaissance sighted 2 cruisers, probably light, and 4 destroyers 46 miles north of Alexandria on an easterly course, evidently the force which bombarded Marsa Matruh. Also, a large steamer with 4 escort vessels and 10 PT boats was repeatedly observed north of Alexandria on a southwesterly course.

Photo reconnaissance of Suez at 0830 revealed that a passenger liner of the QUEEN ELIZABETH class, the C class cruiser, and the monitor left the harbor and roadstead. No changes of importance had occurred with regard to the ships in the harbors of Alexandria and Port Said.

2. Own Situation Mediterranean:

During the night of 18 Jul. 3 boats of the 3rd PT Boat Flotilla were off Marsa Matruh ready for a torpedo attack on the destroyers sent to bombard the shore. The PT boats were detected by means of flares and driven off by the destroyers. This action prevented the bombardment of the harbor. Enemy planes caused slight damage and light casualties on 2 PT boats. For the short report of the flotilla see Telegram 1215.

During the night of 19 Jul., the PT boats carried out another torpedo attack off Marsa Matruh against the destroyers bombarding the coast, but scored no results. The steamer AGRIGENTO was damaged by 4 hits and sank at the stern. After repairing the damage, it will be possible to move her.

Enemy planes raided Tobruk on the evening of 19 Jul. without causing damage.

The Italian cruiser division which operated against the MANXMAN returned to port without having made contact with the enemy.

3. Transport of Supplies to North Africa:

The landing barge MFP "156" was sunk by gunfire from an enemy plane en route from Benghazi to Tobruk. Otherwise transport movements proceeded according to plan.

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4. Area Naval Group South:

Aegean Sea:

Enemy submarines were sighted on 19 Jul. in the Doro Channel and off Lania. On the same day the Italian hospital ship SICILIA was unsuccessfully attacked with torpedoes from a submarine in the Doro Channel.

An Italian auxiliary vessel located an indefinite number of moored mines by means of search gear 23 miles north of Kanea. A search was ordered and the shipping lanes concerned were closed.

In view of the damage suffered by the AGRIGENTO, Group South deems it necessary to reexamine the question whether the valuable CITTA class vessels should call at Marsa Matruh and Tobruk before these ports are adequately protected, or before the speediest possible unloading of the ships is assured. (See Telegram 2055.)

With regard to North Africa transports from the Aegean area, the Operations Staff of the Armed Forces High Command points to the instructions for the Athens Office issued by the German General at the Italian Armed Forces Headquarters; these clearly provide that the Italian ships operating in the Aegean Sea are under German authority. This clear-cut arrangement of exclusive German command in the Aegean area must not be changed under any circumstances.

Black Sea:

Enemy Situation:

Group South reports continued movements of surface forces off the central eastern coast.

Own Situation:

Strong enemy air attacks on Mariupol occurred during the night of 19 Jul. The floating dock was sunk. Considerable damage also to other installations. 1 motor cutter was sunk. The Navy suffered no casualties among its personnel.

Escort service according to plan.

The foreign motor minesweeper group, the 17th Harbor Patrol Flotilla, and 1 landing barge arrived at Ivanbaba on 19 Jul. and 2 additional barges are on the way there from Ak Mechet via Sevastopol.

The Naval Staff instructs Group South to transfer at least 5 barges to the Sea of Azov as soon as possible; this was ordered by the Armed Forces High Command for the supply of the Army. The operation is to be carried out with the cooperation of the Army and the Air Force; plans for it are to be reported at the proper time. (See Telegram 1111.)

Since operation "Wiesengrund" will probably not take place this year, the Quartermaster Division, Naval Staff is requested by the Chief of the Operations Division, Naval Staff to rush 20 more landing barges from Germany to the Black Sea. Certain delays in the training program of the Admiral, Amphibious Forces cannot be helped. (See Telegram 1920.)

Group South calls attention to the manufacture of small tug boats, type Fl C III (Seeschwalbe), at Koepenick and Vienna by the Air Ministry and

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suggests that it be investigated whether they can be used in the Sea of Azov and the Caspian Sea. (See Telegram 1230.)

The Naval Staff, Quartermaster Division is attending to this matter.

VIII. Situation East Asia

Nothing to report.

IX. Army Situation

1. Russian Front:

Army Group A:

The enemy is beginning to withdraw also in front of the north wing of Army Group A. Extensive minefields and destroyed bridges hamper the pursuit. Our forces advancing in the Voroshilovgrad area gained considerable ground to the south. The flanking movement of the left wing of our forces from the area of Konstantinovsk to the west toward Shakhty is proceeding according to plan.

The 29th Motorized Infantry Division has established a bridgehead across the Don River. Other units closing in have reached Prokovsky.

Army Group B:

The spearhead of the Army Group has advanced beyond the Suskan sector south of the Don River. The withdrawal from the Koro-toyak bridgehead was effected according to plan. Enemy attacks against the Voronezh bridgehead continued. Lively fighting developed between the Don and Olym Rivers against the reinforced enemy.

Central Army Group:

Fighting was on a purely local scale.

Northern Army Group:

The enemy continued to attack the II Army Corps from 3 sides

Following a strong artillery barrage on our positions southwest of Leningrad, the enemy attacked with numerous tanks, assisted by strong bomber and fighter formations. Heavy fighting is in progress.

2. Finnish Front:

No action of importance.

3. North Africa:

The central sector of the enemy was reinforced with heavy batteries. Enemy air raids on Marsa Matruh, continuing by day and night, and bombardments from the sea make it very difficult for large

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vessels to enter this port at the present time. The situation of the Panzer Army is tense, owing to the enemy's air superiority.

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Items of Political Importance

Great Britain:

According to American reports, the problem of a second European front is again being discussed in London. Churchill allegedly offered Beaverbrook a portfolio in the War Cabinet, a fact which caused violent protests on the part of the other Cabinet members. The Soviet Ambassador at London has strongly demanded the opening of a second front during another conference with Churchill. Washington is emphatically urging the same step in London. Moreover, speedy delivery of bombers, tanks, and food supplies to Russia is demanded in view of the threat to the Caucasus.

India:

Gandhi declared that Great Britain, the U.S.A., China and Russia are welcome to make a new proposal with regard to the Indian question. Should the appeal made by the Congress not be granted, however, the disobedience campaign will set in in the near future.

U.S.A.:

It is learned from American diplomatic circles that there is a good deal of hard feeling toward Great Britain in the U.S.A. Great Britain is blamed for the military defeats in North Africa and it is feared that only an American expeditionary force will be able to get the situation in Africa and the Near East under control. Also British criticism of American deliveries of materiel, particularly of airplanes, is said to have aroused the Americans.

According to Press Wireless reports, Roosevelt will probably assume the Allied Supreme Command. Admiral Leahy will receive a naval post. It is considered possible that the French Ambassador in Washington may be recalled. It is not planned to construct additional shipyards in the U.S.A., because the existing ones are sufficient to cope with the shipbuilding program. Propaganda for a U.S. air transport fleet continues.

Japan:

For the report about rumors of an impending Cabinet shake-up, according to the German Ambassador at Tokyo (see War Diary of 12 Jul.), see Political Review No. 168, paragraph 7.

Conference on the Situation with the Chief, Naval Staff

I. The Chief of the Naval Ordnance Division reports about the economic importance of Egypt; he also discusses the order of the Minister of Armament and Ordnance concerning the organization of the gas and power industry. It will become mandatory to employ special electrical engineers in naval plants also.

Another report refers to the effect of the decision by the Commander in Chief, Navy regarding the acceleration of submarine repairs, etc. According to this report approximately 8,000 more workers are required than permitted by the Fuehrer in his decision about the order of priority of naval construction, etc. The Naval Ordnance Division,

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therefore, considers it necessary to call the Fuehrer's attention to the fact that owing to the higher manpower requirements for the most urgent construction tasks, projects with lower priority, among them the aircraft carriers on which the Fuehrer places so much value, will be delayed even more than anticipated. To this argument the Naval Staff remarks that the problem consists of obtaining additional workers for items 1 and 2 on the priority list, without drawing on the manpower required for items 5, 6, and 7.

In a Very Restricted Circle:

II. The Chief of the Naval Staff Quartermaster Division, Fleet Section reports the results of his observations in the Crimea as contained in the report of the Deputy to the Chief, Naval Staff Quartermaster Division (see War Diary of 20 Jul.). At a later date it is planned to replace battery "Tirpitz" at Constanta by a railway battery (28 cm), so that battery "Tirpitz" can then be shifted to the tip of Cape Kherson in place of the former "Maxim Gorki III". The Commander in Chief, Navy agrees to this plan and the respective orders will go out at once.

III. The Chief, Operations Branch, Naval Staff Operations Division reports the plans of Group North concerning protective measures for the southwest barrages and the laying of 4 type A standard mine barrages on the Dutch coast (see War Diary of 16 Jul.).

IV. A further report is made about the orders of the Commanding Admiral, Submarines for submarine "751" to lay mines in the approaches to Charleston and submarine U "93" in front of the harbor entrance of Jacksonville.

V. Analysis of the situation by the Naval Staff in connection with enemy landings in the west area:

The Fuehrer is convinced that Germany's fast and great victories will force Great Britain either to undertake an immediate large-scale landing for the establishment of a second front or to do without the political and military support of Soviet Russia. The Fuehrer believes that for this reason enemy landings must be expected shortly. The Naval Staff has therefore made an extensive analysis of the situation which is sent to Groups West and North; the Commanding Admiral, France; the Naval Station, North Sea; and the Commanding Admiral, Submarines, with copies to the Naval Representative at the Operations Staff, Armed Forces High Command; and the Naval Liaison Officers to the Army General Staff and to the Air Force Operations Staff. The Naval Staff emphasizes the reasons compelling the enemy to launch an offensive against the German submarine bases since these bases are the source of the grave danger to enemy merchant shipping. The main object of an enemy landing in the west area will be to eliminate the German submarine bases. A diversionary landing in the area from the Seine Bay to Cherbourg can be expected. Among the measures to be taken against such landings, the Naval Staff lists more complete Channel reconnaissance by careful reconnoitering of the enemy situation in the harbors of the Bristol Channel, the Irish Sea, and the North Channel in order to detect possible enemy preparations for landing operations. The Naval Staff also recommends holding submarines in readiness to attack enemy invading forces, particularly those approaching from the Bristol Channel and St. George's Channel.

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Group West, the Commanding Admiral, France, and the Commanding Admiral, Submarines are requested to reexamine these questions and to report to the Naval Staff what other possibilities they see for improving our defense measures.

The Naval Staff Quartermaster Division, Communications Division, Submarine Division, and Ordnance Division are also given the opportunity to consider appropriate measures within their jurisdiction.

See 1/Skl I b 1363/42 Gkdos. Chefs. in War Diary, Part C, Vol. II b (in conjunction with 1/Skl I b (plan) 1341/42 Gkdos. Chefs.).

The Chief of the Naval Staff agrees.

The Chief of Staff, Naval Staff reemphasizes the importance of the problems discussed and points out again the responsibility of the Navy for protecting the submarine arm which is of such decisive importance. He suggests that the Chief, Naval Staff should personally inspect the west area at an early opportunity in order to assure himself that the steps ordered have been executed. He could then reassure the Fuehrer that everything humanly possible has been done to avert the imminent danger.

The Chief, Naval Staff agrees with the above and orders that preparations and a schedule for his inspection trip be worked out at once.

VI. The Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters informed the Naval Staff that additional reinforcements, among them the "Grossdeutschland" Infantry Division, are being transferred to the west area, in addition to the up-to-date units which have heretofore been reported. The shipment of the bulk of the XI Army Corps from the Crimea to the Northern Army Group begins on 27 Jul. Operation "Herkules" is postponed for an indefinite period. Rommel hopes to have 300 tanks at his disposal soon again, which would permit him to reopen the offensive. Supplies must be brought up very quickly in order to outdo the enemy in this respect.

Special Items

On 29 Jun. the German Naval Command, Italy submitted a copy of the final report of the Commanding General, Armed Forces, South about the sea and air battle in the Mediterranean between 14 Jun. and 16 Jun. 1942. The Naval Command, on the whole, agrees with the contents of the report.

The Commanding General, Armed Forces, South arrived at the following conclusions about the enemy's losses:

a. From the western convoy:

9 steamers totalling at least 60,000 GRT, including 1 tanker.
1 passenger ship
2 cruisers
1 destroyer
1 warship of unidentified type

b. From the Alexandria convoy:

Credited to the German Air Force:

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6 auxiliary vessels totalling 50,000 GRT
1 cruiser
2 destroyers
1 patrol vessel

Credited to the German Navy:

1 cruiser

Credited to the Italians:

1 destroyer

Total sinkings: 26 ships.

Evaluation of photo reconnaissance by the Operations Division, Naval Staff resulted in the following count:

a. Lost from the western convoy:

1 cruiser
1 passenger ship
1 tanker
7 cargo vessels
Probably 2 destroyers and 2 escort vessels

b. Lost from the Alexandria convoy:

1 cruiser
2 destroyers or patrol vessels
4 steamers

Total sinkings: 21 ships.

German air forces shot down 23 enemy planes for sure and lost 14.

Italian air forces reported shooting down 49 enemy planes and losing 22 of their own planes.

The Italian Navy lost the cruiser TRENTO.

Ships damaged on either side are not listed, since there is almost no way of checking on them.

As far as the sinkings of warships are concerned, the Commanding General, Armed Forces, South figures 16 ships, the Naval Staff, Operations Division 4 ships; while the British Admiralty admits the loss of 7 ships. Since the latter figure comprises 2 destroyers and 2 patrol vessels, the loss of which could not be established from the photo material available to the Naval Staff, Operations Division, these 4 ships were added as probable sinkings to the total losses of the western convoy. Thus it is evident that an absolutely correct determination of the enemy's losses has not yet been possible. However, it is very likely that 7 or 8 warships were lost, among them 1 or 2 cruisers. Since the British do not mention the merchant ships lost, the figure of 13 determined by the Naval Staff, Operations Division probably constitutes the minimum number of ships sunk by the Axis Powers.

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Situation 21 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to an intelligence report from Spain, a convoy of 15 transports is being assembled at Liverpool and neighboring ports, which is supposed to sail on 25 Jul. with a cargo of about 60,000 GRT for Africa.

Indian Ocean:

The U.S. steamer IRENE DUPONT reported from approximately 310 miles east-southeast of Fort Dauphin (Madagascar) that she was pursued by a suspicious looking vessel.

Pacific Ocean:

Townsville reported on 20 Jul. 2 battleships and 5 unidentified ships at 4° S, 165° E (south of Nauru Island).

2. Own Situation:

No news was received from our ships in foreign waters.

Ship "28" is informed by Radiograms 2048 that 4 German submarines will operate in quadrant ET until further notice.

Information about the enemy situation was sent by Radiogram 2304.

II. Situation West Area

1. Enemy Situation:

According to radio monitoring a number of convoys in the Channel area and off the southeastern English coast received air raid warnings. Air reconnaissance spotted 21 steamers southwest of Milford on a 60° course.

Photo reconnaissance of 19 Jul. established merchant ships of 219,200 GRT at Tynemouth, 104,800 GRT at Sunderland (of which 87,500 GRT are under construction), 118,400 GRT at Middlesbrough (of which 71,000 GRT are under construction).

According to a report by the Army General Staff, Intelligence Division, West it could not be determined how many maps of unoccupied France the British have been able to acquire since 1940. It could be that maps acquired at an earlier date will be adequate for new operations. It could be ascertained, however, that a special Government order was placed around the middle of May 1942 for 1,800 maps of the eastern part of Corsica and 2,100 maps of the western part, for delivery by the end of June.

The Naval Intelligence Division, Foreign Navies Branch reports in No. 34 of News Analysis, Foreign Navies about the organization and location of the commando forces after the end of May 1942, and about the loss of the fast HUNT-class escort vessels GROVE and AIREDALE.

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The British Government published a warning to the effect that beginning at midnight of 24 Jul., any vessel proceeding beyond coastal waters in the North Sea, the English Channel and the Bay of Biscay, as defined in the announcement of the Admiralty of 23 Mar. 1941, does so at her own risk.

2. Own Situation:

Atlantic Coast:

Air reconnaissance sighted 2 drifting mines 100 miles west-southwest of Brest on 20 Jul. Three ground mines were swept by mine-exploding vessels in the waters off Lorient and La Pallice.

Channel Coast:

Harbor patrol vessel "82" had a brief engagement with 3 enemy PT boats west of Dunkirk at 0055. At 0100 mine-exploding vessel "168" and 4 of our subchasers had a brush with enemy PT boats in quadrant BF 3332, in the course of which an enemy flotilla leader was sunk. The sinking could be observed clearly from land. One motor gunboat was sunk by ramming. 4 motor torpedo boats were badly damaged by gunfire. 13 men were rescued and taken prisoner. Our own losses were 4 dead, 21 wounded.

The 4th and 2nd PT Boat Flotillas carried out mining missions on the convoy route in the Portsmouth area according to plan. At 0233 a mine detonation was observed. For short report see Telegram 1030.

The mine-laying operations "Rhein" and "Gruen" were carried out in the Seine Bay. The 3rd Torpedo Boat Flotilla, the 4th Motor Mine Sweeper Flotilla, and the 8th Mine Sweeper Flotilla, which took part in the operation, returned to their bases early this morning. Mine-laying operation "Stein" in the Seine Bay is scheduled for the night of 21 Jul.

The 2nd Coast Patrol Force reports interesting radar information from the night of 20 Jul.: the German PT boats in the vicinity of the Isle of Wight were continuously located as far as 34.5 miles out. Our own locating results were remarkably poor with regard to the 3rd Torpedo Boat Flotilla. For details see Telegram 1920. Evaluation by the Chief of Communications Division, Naval Staff.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Convoy and mine-sweeping activities in the area of the Commanding Admiral, Defenses, North were still handicapped in part by weather conditions. One ground mine was swept north of Schiermonnikoog. In the afternoon enemy planes flew over the Dutch coast. Bombs were dropped on Walcheren. A few single planes penetrated into the north German coastal area as far as the area south of Bremen. Pursuit planes went into action, but were unable to contact the enemy.

5 PT boats completed the run from Wilhelmshaven to IJmuiden. Mining operation "Satan" was started in the evening.

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2. Norway:

Enemy planes were active over the Arctic Coast on 19 and 20 Jul., over the western coast on 20 Jul. Two of the attacking planes were shot down by fighters at Kirkenes. The entrance to Ko Fjord was closed on account of suspected aerial mines.

The Fleet requests an early announcement of the operational plans for the SCHEER. If she is to be used in the Atlantic, she would require 8 weeks in dock and at least 4 weeks for training of the new crew, whereas 4 weeks engine overhaul would be sufficient if she is to continue her present tasks.

3. Arctic Ocean:

Enemy Situation:

On 20 Jul. radio monitoring intercepted messages from 6 British ships in the area of Archangel. At 0600 air reconnaissance sighted one destroyer and 2 steamers on a northerly course in quadrant AB 7820.

On 18 Jul. the following ships were in the area between Kola Bay and Vayenga: 14 merchant vessels totalling about 148,000 GRT, 1 small tanker, and 3 patrol vessels; 1 submarine was in dock. In the naval base of Polyarnoye on 20 Jul.: 6 submarines, 1 destroyer, coastal and harbor craft.

According to intelligence reports of 20 Jul. from Sweden a large convoy for Russia is being assembled in the British Isles at present; it is to consist of 45 to 50 ships of 200,000 to 250,000 GRT and will be escorted by 2 aircraft carriers, 2 battleships, 4 heavy cruisers, destroyers, torpedo boats, PT boats, submarines and a considerable number of British, American and Russian naval planes. It is said that the convoy will carry about 800 tanks, 2,000 airplane engines, 20,000 armor plates, a great number of large-caliber guns, 500 anti-tank guns and ammunition, 4,000 airplane propellers, drugs, optical instruments and other equipment.

Another agent report from Sweden says that the U.S.A. shipped large quantities of materiel to Iceland, whence it will be reshipped to Russia by the British. Extensive British reconnaissance flights to locate German submarines in the Arctic Ocean are reported planned within the next few days. According to the same report, convoy PQ 17 was to have brought the equipment for a British and American invasion army to Murmansk; the army itself was to be shipped after the materiel was delivered.

This report appears rather doubtful, apart from the fact that the major portion of convoy PQ 17 was destined for Archangel.

The captain of steamer CARLTON from convoy PQ 17 who was taken prisoner asserted that Philadelphia is the principal port for shipping war materiel to Russia. Convoys to Reykjavik sail from Halifax.

All steamers carry almost identical mixed cargoes consisting of tanks, airplane parts, automobiles and spare parts, explosives, ammunition, guns, machine guns, rifles, foodstuffs, mostly flour and canned meat, tin, aluminum, and steel plates.

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Own Situation:

Nothing to report.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

11 submarines were located by radio monitoring, 3 of them east of Reval. 6 PT boats on a westerly course were sighted on 20 Jul at 2100 off Seiskari.

Group North believes that, judging from the present activity in the Leningrad area, cruisers or destroyers may attempt to sail from Kronstadt.

2. Own Situation:

Nothing to report from the area of the Commanding Admiral, Defenses, Baltic Sea.

1 man was killed and 3 gravely injured by the torpedo hit on the ALDEBARAN.

Group North orders that mines should be laid again soon in the Kronstadt Sea Channel, in view of the mounting Russian activity in the Leningrad area and because the mines laid there are no longer live, as they were set to become inactive on 17 Jul. Otherwise nothing to report.

V. Submarine Warfare

1. Enemy Situation:

According to an intelligence report from Spain, a convoy of 18 steamers escorted by 3 corvettes and 2 gunboats has left Gibraltar in a westerly direction. Submarine attacks were reported from the American coast in the Gulf of St. Lawrence and from the West Indies north of Trinidad.

The captain of steamer CARLTON from convoy PQ 17 asserted that all ships, size permitting, are using the inland waterways from Baltimore via Philadelphia to New York, and continue from there through the Long Island Sound to Halifax.

2. Own Situation:

5 submarines are in the zone of operations in the Arctic Ocean. On the basis of reports received, the Commanding Admiral, Submarines assumes that 3 steamers totalling about 15,000 GRT may have been sunk by the 5 torpedo hits on the convoy north of the Azores reported by submarine U "108" on 19 Jul.

Submarine U "437" probably sank a 10,000 GRT steamer and torpedoed a 15,000 GRT transport in quadrant DN-81

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Submarine U "132" is operating in the St. Lawrence River. She torpedoed 3 ships of an outgoing convoy of 12 steamers in quadrant BA 3587 on 3 Jul. Canadian press reports indicate that they sank. On 20 Jul. a 4,500 GRT freighter, one of a convoy of 6 steamers, was torpedoed in quadrant BB 1479; she was subsequently towed ashore.

Additional reports in Supplement to Submarine Situation, War Diary, Part B, Vol. IV.

The Commanding Admiral, Submarines was informed by the Naval Staff that mine-laying operations off New York cannot be carried out until the exchange of Japanese and American diplomats has been completed. No date can yet be fixed; it will probably take at least 4 more weeks. See Telegram 1600 for discussions between the Commanding Admiral, Submarines; the Naval Staff, Submarine Division; the Officer Personnel Division; and the Second Admiral, Submarines about the assignment of boarding officers to 11 vessels. The Commanding Admiral, Submarines is justified in refusing to permit these boarding officers to be selected from ordnance officers in training; in view of the great gain derived from each prize that is brought in, he requests that the required boarding officers be provided elsewhere.

For the comment of the Commanding Admiral, Submarines regarding the request by Group North to equip the submarines assigned to the Arctic Ocean with radar sets, see Telegram 1700. The Commanding Admiral, Submarines requests the Naval Staff and Group North to pass all matters concerning fundamental submarine problems--except of course purely operational questions--through his office; the Commanding Admiral, Submarines must have full control in order to ensure the coordination necessary in view of the tense manufacturing situation, particularly as far as the armament of submarines is concerned.

The Naval Staff recognizes that this request is justified. The present matter is being handled by the Chief of Communications Division, Naval Staff.

VI. Aerial Warfare

1. British Isles and Vicinity:

A radio station on the Isle of Wight was raided in a daylight attack by fighter bombers. During the night of 21 Jul. a total of 25 German planes flew a number of demolition missions. Approximately 60 enemy planes raided the Rhenish and Westphalian industrial area, concentrating on Duisburg. Damage was inflicted on factories and traffic installations. For details see daily situation report. 5 raiders were shot down.

2. Mediterranean Theater:

Due to weather conditions, Malta was not attacked by the German air force. It must be figured that 20 to 25 fighter planes were delivered to Malta by the EAGLE force, so that the island disposes over about 110 fighters, of which 70 are ready for combat.

9 enemy planes were shot down in the Mediterranean theater.

3. Eastern Front:

The 5th Air Force attacked enemy batteries on the northwestern

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coast of the Rybachi Peninsula with good results.

49 planes were shot down in the east area.

VII. Warfare in the Mediterranean and Black Sea

1. Enemy Situation, Mediterranean:

1 DRAGON class cruiser arrived at Gibraltar from a westerly direction. The convoy of 18 steamers passed Punta de Europa at 1835.

2 cruisers and 5 destroyers of the EAGLE force were sighted at 0900 60 miles north of Algiers on a westerly course, evidently on the way home after delivering airplanes to Malta.

At 1545 two ships with 6 to 8 escort vessels were observed northeast of Marsa Scala Bay headed for Valletta. It was observed that they arrived at Valletta at 1830.

No particular ship traffic was observed in the eastern Mediterranean.

2. Own Situation, Mediterranean:

Enemy planes raided Tobruk during the night of 21 Jul. The 7th Italian Cruiser Division was standing by fully alerted in the harbor; the alert was lifted after the EAGLE force turned back.

3. Transport of Supplies to North Africa:

The tanker SATURNIO arrived at Tripoli in the evening of 20 Jul. The motor ships PILO and WACHTFELS are en route from Brindisi and Suda to Benghazi.

Coastal supply shipping according to plan.

On 20 Jul. 1,352 tons of goods were unloaded at Tobruk, and 670 tons at Marsa Matruh.

In addition to other demands on the Italian Naval Command, Libya, the German Naval Command, Italy has reiterated its urgent request for an Italian coastal battery to be installed at Marsa Matruh, because it will otherwise be impossible for steamers to call at this port. Supply traffic out of Tobruk uses barges, sailing vessels, and small steamers up to 500 GRT. (See Telegram 2010.)

About Naval Group South's request for speedy allocation of additional shipping space for the supply of the Panzer Army, Africa see Telegram 1050.

4. Area Naval Group South:

Aegean Sea:

Enemy Situation:

On 20 Jul. a surfaced enemy submarine was sighted in the Oreo Channel west of the Trikeri barrage. Submarine chase has been

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without results up to now.

Own Situation:

Convoy service according to plan. The area north of 37° 40' N was closed to small ships.

Black Sea:

Enemy Situation:

In the harbor of Azov a considerable concentration of small vessels was observed.

Own Situation:

The 17th Harbor Defense Flotilla made a check sweep of the roadsteads of Sevastopol and Ivanbaba but found no mines. One heavy and one light anti-aircraft battery were installed at Genichesk. Convoy operations were suspended on 20 Jul. due to weather conditions. 5 German landing barges were commissioned at Varna on 21 Jul.

VIII. Situation East Asia

According to Domei News Agency, Japanese naval units landed on 17 Jul. at the mouth of the Wu River in the southeastern part of Chekiang Province. The U.S. Navy Department announced the occupation of Agutay Island by Japanese forces.

IX. Army Situation

1. Russian Front:

Army Group A:

The enemy is retreating toward Rostov. The spearheads of our armored forces advancing southward from the Kamensk area have reached a point between Shakhty and Rostov. Shakhty was reached by 3 divisions.

Army Group B:

Our tanks and motorized forces advancing south of the Donets River have reached the Chir and Tsaritsa Rivers and established bridgeheads across them. Other divisions are closing up. Further advances depend on fuel supply. Strong enemy attacks on Voronezh and our positions southeast and southwest of Yelets were repulsed.

Central Army Group:

Local fighting without any importance.

Northern Army Group:

Enemy attacks on our positions south of Demyansk were repulsed. Pressure against the area southeast of Starava Russa has

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lessened. Several attacks by strong tank forces at the Volkhov sector were repulsed, in some instances in close-range fighting. South of Leningrad the enemy advanced to the railroad bend.

2. Finnish Front:

Nothing to report.

3. North Africa:

No reports have been received.

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Items of Political Importance

Great Britain:

Political Review No. 169, paragraph 1 contains the parliamentary debates about the economic condition of German-occupied European countries and reports about emergency powers of the British Home Secretary and Empire problems.

U.S.S.R.:

A report from a diplomatic source about price rises in Russia is contained in Political Review No. 169, paragraph 2.

U.S.A.:

Roosevelt announced the nomination of Admiral Leahy as Chief of Staff to the President in his capacity as Commander in Chief of the U.S. Armed Forces. The U.S.A. will be represented at Vichy by a Charge d'Affaires.

Some time ago the Saturday Evening Post in an article of wide scope discussed the fundamental problems of warfare and arrived at very sober conclusions regarding the strength of the opposing parties--not just the material strength alone--and the chances of success. A detailed account of this article may be found in Political Review No. 169 paragraph 3b.

Canada:

The ban on the Communist Party is to be lifted.

Vatican:

The Vatican denies that the Pope is going to issue a peace encyclical

Turkey:

The press reports that Turkey is taking additional defense measures at the Russian-Turkish border. According to unconfirmed press reports from Istanbul via Vichy, a part of the Russian Black Sea fleet is getting ready to sail for Turkish territorial waters. The Turks are said to be making preparations for interning it in the Sea of Marmora.

Conference on the Situation with the Chief, Naval Staff

In a Very Restricted Circle:

I. Report of the Chief, Operations Branch, Operations Division, Naval Staff:

1. The Northern Army Group plans to seize the valley near Oranienbaum in the second part of September.

2. Directive No. 44 regarding warfare in Finland:

a. The operations against Timoshenko's armies have

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progressed quicker and with better results than expected; this justifies the hope that Russia will shortly be cut off from her communications with the Caucasus and thus from an important supply route and the principal source of fuel oil for British and American shipments of war material. This fact, combined with the loss of the entire Donets industry will deal the Soviet Union a blow, the consequences of which cannot be estimated at present.

b. Our next task is therefore to cut also the northern supply line, starting with the rail connection to Murmansk. The significance of this supply line will increase once more when season and weather conditions prevent effective operations against the convoys in the northern area.

c. For this purpose, the 20th Army Command is making preparations in consultation with the 5th Air Force to seize the Murmansk railroad at Kandalaksha. In this connection, it may be assumed that:

(1) Leningrad will be taken by September at the latest, thus freeing Finnish forces

(2) the 5th Mountain Division will have arrived in Finland by the end of September.

The code name of the operation is "Lachsfang"; that for the zero day "L-day".

d. It is desirable that the offensive of the 20th Army Command coincides with the Finnish attack on Belongorsk.

e. The most important assignment of the 20th Army Command is still to protect the Finnish nickel production. It must be re-emphasized that the loss of nickel deliveries would deprive Germany of any possibility of producing high-grade steels, in particular those needed for the manufacture of airplane and submarine engines.

f. Operation "Wiesengrund" will not be executed this year. However, preparations for it are to continue on a greater scale, so that it can be carried out in the spring of 1943 on short notice (about 8 weeks).

Particular attention is to be given to the completion and reinforcement of the air and supply bases on which rest, not only the feasibility of "Wiesengrund", but also our defenses against a large-scale enemy attack in the north area.

g. The 20th Army Command and the Commander in Chief, Air will report their plans as soon as possible.

Conforming with paragraph f, the Naval Staff directs Group North to continue the preparations for operation "Wiesengrund" according to the instructions received on 25 Jun. 1942 by the Operations Division. In particular, all questions regarding equipment are to be clarified, and it is important to establish for which guns smoke projectiles will be needed.

The Naval Staff, Quartermaster Division is requested to continue with the formation and the training of the 2 landing flotillas so as to get them ready by spring 1943. The Chief, Operations Division, Naval Staff has not yet informed the Admiral, Amphibious Forces.

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II. Report by the Permanent Representative of the Commander in Chief at the Fuehrer Headquarters to the Chief of Staff, Naval Staff concerning the plans for future operations of the Army:

After the Don River is crossed, the annihilation of Timoshenko's armies will be continued; it is further planned to strike in a southerly direction, seize the western half of the Kerch Strait, attack its eastern half from the rear, and then advance along the shore to Batum. This will be done with the assistance of Mountain troops which will outflank the enemy positions from the north and also with the aid of the Navy which will carry assault troops for a flanking maneuver from the sea. The main objective is to reach Batum, thereby eliminating the Russian fleet and securing the Black Sea as a safe supply route.

The Chief, Quartermaster Division, Naval Staff has therefore already ordered 20 more landing barges transported to the Black Sea by truck. The next objective is to seize Stalingrad, cut off Volga shipping, then to reach Astrakhan, if possible, and thus cut the last remaining railroad from the Caspian Sea. The third objective is to reach Baku on a route east of the Caucasus.

As soon as the Caucasus region is in our hands and the supply via the Black Sea firmly established, a number of motorized expeditionary corps are to advance to Mesopotamia through Iran and Iraq.

At the remainder of the Eastern Front only mopping up operations and the elimination of partisan forces are to be undertaken, as well as the Leningrad and Kandalaksha operations.

The report is in War Diary, Part E, file "Barbarossa II".

Special Items:

I. With reference to the Naval Staff's analysis of the situation as regards an enemy landing in the west area (see War Diary of 21 Jul.), the Air Force Operations Staff is requested to order a thorough investigation of the enemy situation in the harbors of the Bristol Channel, the Irish Sea and the North Channel; this will serve to supplement the reconnaissance made of the Channel. It is further requested that the results of this operation be communicated to the Naval Staff.

For copy see 1/Skl I L 1410/42 Gkdos. Chfs. in War Diary, Part C, Vol. V.

II. The Operations Division, Naval Staff has followed up its analysis of the landing possibilities on the French coast with an extensive survey of the landing possibilities in the Dutch area.

For copy of this survey see 1/Skl I op 17843/42 Gkdos. in War Diary, Part C, Vol. IIb. Copies have been submitted to the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters; the Naval Representative on the Operations Staff, Armed Forces High Command; and the Navy Liaison Officers to the Army General Staff and the Air Force Operations Staff.

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III. On 1 Jul. Group North submitted plans for an operation of the cruisers LUETZOW and ADMIRAL SCHEER against the northern Siberian sea lane in the eastern Barents Sea and the Kara Sea and asked for approval.

The main objective of this plan is to attack shipping through the north passage and the Yugor Strait to the northern and eastern Siberian harbors. Other objectives are destruction of the harbor installations at Amderma by gunfire and the annihilation of fishing flotillas encountered.

The interval between two Murmansk convoys during August is considered propitious for the operation. The operational command would be entrusted to the Admiral, Arctic Ocean, the tactical command to the Commanding Admiral, Cruisers.

For camouflage, the Trondheim group is to be transferred to Narvik for the duration of the operation. Owing to the fuel situation, the destroyers will not participate. It is of the greatest importance that the departure of the cruisers is not detected, that their appearance comes as a surprise and that their stay in the zone of operations is limited in view of possible countermeasures by heavy British forces. For all these reasons it is necessary to establish beforehand whether worthwhile targets exist at all. Group North requests the Naval Staff to ascertain this fact through radio intelligence and to have agents spread rumors about a planned breakthrough of the cruisers to the Atlantic. Ships "13" and "24", sailing at the end of July, are supposed to furnish special weather and ice information.

Of exceptional value in judging navigational conditions is the report of the Naval Attache at Moscow of 13 Mar. 1941 dealing with the voyage of ship "45" via the northern route in 1940.

As requested, the Naval Staff first of all ordered the Hydrographic and Meteorological Division to supply all pertinent information as quickly as possible to the Admiral, Arctic Ocean, the Commanding Admiral, Cruisers, the LUETZOW, SCHEER, and ships "13" and "24"; furthermore, the Chief, Naval Communications Division was requested to comment on the possibility of ascertaining the existence of worthwhile targets in the zone of operations by radio intercept service. Under existing conditions this is not possible and monitoring results have so far been available only for the Kola-Archangel area. The Chief, Naval Communications Division therefore orders intensified efforts to obtain the required information and will keep Group North, the Fleet, the Admiral, Arctic Ocean, and the Commanding Admiral, Cruisers informed about all important findings.

On 13 Jul. the Naval Staff notified Group North of its approval in principle and left it to the Group's discretion to conduct the operation even with only one pocket battleship.

IV. As the ice barrier recedes to the north, the enemy is enabled to move the route of the PQ convoys farther north and east. During the months of August and September the northern end of Novaya Zemlya can be skirted and Matochkin Strait, Kara Strait and Yugor Strait are navigable.

It may also be that transshipment facilities at the mouth of the Pechora and at Amderma will also be used, besides Archangel.

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This of course greatly limits the possibilities of successful operation for both submarines and air forces. Because of other commitments, it is uncertain whether heavy naval forces can carry out such an operation.

The Naval Staff therefore requests Group North to examine the feasibility of attacking enemy shipping effectively on the more outlying routes with mines and to submit as soon as possible detailed comments and plans for the information of the Fuehrer, who has asked the same question (see War Diary of 20 Jul.). The plans should include operations for surface minelayers, and should be based on the assumption that rack mine Type A is ready for operational use.

For copy of above directive see l/Skl I op 1412/42 Gkdos. Chfs. in War Diary, Part C, Vol. IIa.

V. On 14 Jul. the Commander in Chief, Navy ordered that the Naval attaches Section be taken out from under the organizational and jurisdictional command of the Naval Intelligence Division and be placed under the authority of the Executive Office of the Commander in Chief, Navy.

The Naval Attache program, and their cooperation with the Naval Staff and other offices, are not affected by this order.

Naval attaches abroad will remain directly under the Chief of Staff of the Naval Staff.

Situation 22 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

Submarines sighted 2 British battleships on a northwesterly course in quadrant CF 7875, probably the NELSON and RODNEY, which were reported at Freetown as convoy escorts on 4 Jul. According to radio monitoring, they were 2 RAMILLIES-class ships.

Coastal radio stations broadcast an RRR signal from an area 110 miles east-southeast of Trinidad.

South Atlantic:

At 1133, Freetown rebroadcast an RRR signal originating from 26° 35' S, 4° 40' E or W; neither longitude nor text were intercepted, so that it is difficult to evaluate the message. According to an intelligence report, Freetown was back to normal on 6 Jul. with about 20 merchant vessels, 5 to 6 destroyers and 1 small aircraft carrier after the super-convoy of more than 100 ships had left on 4 Jul.

According to another intelligence report, several U.S. steamers unloaded armored cars with solid rubber tires at Port Harcourt, during the last few weeks, which are to be reshipped first by rail and then by road to Fort Lamy.

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Indian Ocean:

Convoy WS 20 was in the Capetown area on 21 Jul. headed for Durban. A large British ship was approaching Simonstown.

British convoy passed Lourenco Marques on 20 Jul. in the direction of the Persian Gulf. The last previous convoy observed on this route was reported on 16 Jul; it consisted of 28 ships.

The captains of 3 Greek vessels were arrested at Lourenco Marques because they had refused to proceed in convoy.

Pacific Ocean:

An Australian steamer 50 miles off Sydney reported being hit by a torpedo.

2. Own Situation:

Ship "10"'s prize, the MANKIN, arrived at Yokohama on 18 Jul. As far as known, her cargo consists of 5,500 bales of wool, war materiel, and foodstuffs.

All ships in foreign waters are advised by Radiogram 0229:

a. Not to proceed with war pistols mounted, if spare torpedoes are carried on the upper deck.

b. To protect torpedo warheads from the sun at temperatures above 30° C (86° F); they must be kept in the shade, sprinkled, or covered with wet canvas. Dry or oily tarpaulin is liable to ignite spontaneously.

c. Warheads and pistols in the tubes must be adequately lubricated.

Extract from the report of the REGENSBURG: The "Richard" area is very suitable as a waiting area; in 20 days not a single ship was sighted. The best camouflage for day and night is a coat of light grey or greenish grey flat paint. The wheel-house should be protected by cement and not by sand, on account of humidity. Secret orders entitled "Western Approaches Orders" of 17 Dec. 1941 were found on the MANKIN, dealing with measures to prevent the scuttling of German blockade runners and auxiliary vessels. With the signal "WBA" fire is to be opened in order to confuse the captain of the stopped ship and thus to prevent scuttling. The crews of scuttled ships should not be abandoned in view of possible retaliatory measures.

All ships in foreign waters are instructed of the above by Radiogram 2214. Enemy situation report with Radiogram 1920.

II. Situation West Area

1. Enemy Situation:

According to a press wire from New York to Santiago (Chile), British observers reported actual preparations and growing troop concentrations for a second western European front.

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Intelligence reports, on the basis of a conversation overheard between the harbor commander of Liverpool and the captain of a British steamer that the first stage of the main assault of the landing operations will take place via Gibraltar on the French Mediterranean coast, and the fullest cooperation of the population is expected. The second stage will comprise an invasion on the French Atlantic coast originating from the English south coast.

Radio monitoring located 2 unidentified ships, 4 mine sweepers, and other vessels in the eastern part of the Channel, and in the western part 2 ships, 5 subchasers, 6 mine layers and several other small vessels.

At 0933 air reconnaissance observed a concentration of landing craft between Chatham and Sheerness, and lively convoy traffic, as usual, off the south coast.

2. Own Situation:

Atlantic Coast:

3 mines were swept off Lorient by a mine-sweeping plane and 3 by a mine-exploding vessel. The harbor and roadstead of La Pallice were reopened.

Disciplinary action by the French Admiral because of the destruction of transmission belts resulted in a one hour strike by part of the French personnel of the carpenter shop at the Brest Naval Shipyard.

Channel Coast:

A belated report lists 3 enemy planes shot down by naval units and anti-aircraft guns on 19 and 21 Jul; a 4th plane was probably shot down. Naval batteries shot down 5 more planes out of a major enemy formation flying over the Ostend area on 21 Jul. at 1700.

During the night of 21 Jul.; mine-laying operation "Stein" was carried out according to plan. Naval batteries shot down 2 enemy planes on the morning of 22 Jul.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance reports normal convoy traffic off the southeast coast.

Own Situation:

The 17th Mine Sweeper Flotilla and mine-exploding vessels swept 8 mines off Terschelling and Borkum. Convoy and mine-sweeping activities suffered from bad weather. 1 enemy plane was shot down by naval anti-aircraft artillery in Dutch territory; it belonged to a force which passed over Holland to the Rhenish-Westphalian industrial area during the night of 21 Jul.

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Naval Station, North Sea raises questions regarding an order of the Commander in Chief, West on the basis of which certain subordinate commands are taking measures to destroy vital installations in case of an enemy landing. These installations would be extremely difficult to repair after the enemy has been driven off. In the opinion of Naval Station, North Sea, the right to order such a measure should rest exclusively with the Operations Staff, Armed Forces High Command, the Army General Staff, and the Commander in Chief, West. (See Telegram 1915.)

Also the Naval Staff believes that this question should be clarified.

2. Norway:

A Russian battery fired on a Petsamo convoy on 21 Jul.

Enemy air activity of 20 and 21 Jul. over the Arctic coast and the Norwegian northern and western coasts. Raids occurred on Petsamo, Kirkenes, a harbor patrol vessel off Stadtland and on the Rundoe coast guard station.

The Fleet Commander reembarked on the HELA at Trondheim.

3. Arctic Ocean:

Enemy Situation:

Submarines sighted 4 SOMERS class destroyers (U.S.A.) on a course of 50° in quadrant AB 3755 around 2000.

A 6,000 GRT tanker escorted by 1 destroyer and 1 patrol vessel was sighted on a course of 160° 80 miles southwest of Iceland at 1830 by air reconnaissance.

5 medium sized merchant vessels and probably 1 torpedo boat were observed at Archangel at noon. 1 medium sized and 5 small merchant vessels were in Moller Bay (Novaya Zemlya).

Special Item:

For brief report of the Wilhelmshaven Intelligence Center about the questioning of 3 captains from convoy PQ 17, see 1/Skl 25271/42 geh. in War Diary, file "Roesselsprung". The report contains course specifications for the run from Philadelphia to Reykjavik. The escort from Reykjavik is as follows: remote escort by 2 British cruisers and the U.S. cruisers WICHITA and TUSCALOOSA; close escort by approximately 12 destroyers, one of them American, as well as corvettes, sloops, so-called mystery ships, and 2 submarines. The latter also sink damaged ships belonging to the convoy in order to prevent their seizure. Liberty ships have a displacement of 6,000 GRT and a speed of 12 knots. The effect of German aerial torpedoes is termed poor.

Own Situation:

Group North believes that intelligence reports about preparations for another PQ convoy (see War Diary of 21 Jul.) are very probably correct. The Admiral, Arctic Ocean therefore is ordered to put his submarines into action as soon as possible according to plan. Copy of telegram 1/Skl 17928/42 Gkdos. is in War Diary, Part C, file "Eispalast".

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Submarine U "377" was damaged by depth charges during an attack by the destroyer force in quadrant AB 3841 and had to return to Trondheim. The purpose of the enemy destroyers in the area northwest of Bear Island is not yet clear. Their high speed seems to preclude their being convoy escorts.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

The destroyer ERICH STEINBRINCK is proceeding northward from the Skagerrak unescorted. The Danish sailing vessel RUTH struck a mine and sank in the fairway off Fanoe. 1 ground mine was swept in Flensburg Foerde by a mine-exploding vessel.

Mining operations in the area of the Commanding Admiral, Defenses, Baltic Sea were curtailed due to weather conditions. Convoy and transport service according to plan.

Swedish air reconnaissance will begin to function as suggested on 23 Jul. south of the Aland Sea in the waters adjacent to those patrolled by Finnish air reconnaissance.

V. Merchant Shipping

Japan:

The Secret State Council voted to amend the law governing the control of the entire shipbuilding industry, so that only the Navy Ministry and not the Ministry of Transportation will be responsible.

VI. Submarine Warfare

1. Enemy Situation:

Radio monitoring intercepted a message about the torpedoing of the steamer HONOLULAN (7,493 GRT) about 540 miles west of Freetown; also a message from an unidentified ship, which was fired on at 04° 26' N, 03° 33' W (off the Gold Coast). (A submarine is out of the question.) In addition, reports were intercepted about submarines sighted off the American coast and in the West Indies.

2. Own Situation:

Regarding the operations of the submarines belonging to the Norwegian Group see Situation, Arctic Ocean.

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The efforts of 3 submarines in the North Atlantic to attack the 2 battleships sighted by submarine U "564" in quadrant CF 7875 were unfortunately unsuccessful. They lost sight of the enemy at 1400 in quadrant CF 7577.

Task force "Wolf" was issued a new order to take up patrol positions between quadrants AK 7213 and AK 7861 on 23 Jul. at 0800 in expectation of an eastbound convoy detected by radio monitoring.

No reports about any successes off the American coast were received. Submarine U "160" sank the tanker DONOVANIA (8,150 GRT) in quadrant ED 9945 (West Indies) on 21 Jul.

The steamer HONOLULAN was sunk by submarine U "582" of the South Atlantic group in quadrant ES 3457 (see Enemy Situation).

VII. Aerial Warfare

1. British Isles and Vicinity:

Bombers raided the alternate targets Brighton and Hull.

11 German planes raided the alternate targets Ipswich and Cromer during the night after unsuccessfully attacking ships at sea.

2. Mediterranean Theater:

Day and night attacks on the Malta airfields.

According to a report of the Air Commander, North Africa, the tense situation of the Panzer Army was alleviated in the afternoon by a concentrated air attack on enemy tank and motorized columns.

According to an Italian report, 1 steamer was sunk by an aerial torpedo off Port Said.

3. Eastern Front:

47 enemy planes were shot down in front of our attacking armies and in the area of the 5th Air Force.

The 5th Air Force raided the airfield and railroad line of Taibola with good results.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation:

Mediterranean:

The EAGLE group arrived at Gibraltar. The MANXMAN and 1 DRAGON class cruiser sailed from Gibraltar in a westerly direction.

1 submarine was located in the forenoon 14 miles south of Genoa.

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The arrival of 2 steamers at Valletta, as reported by the German Naval Command, Italy on 21 Jul., was not substantiated by today's reconnaissance results, which show one newly arrived submarine.

Normal convoy traffic between Alexandria and Port Said. German planes observed the sinking of a steamer north-northeast of Port Said, which was hit by an Italian aerial torpedo. A force of 6 or 8 ships (2 steamers escorted by 2 cruisers or destroyers and patrol vessels) with strong fighter escort proceeded on a westerly course in the afternoon north of the Nile River Delta.

2. Own Situation:

Mediterranean:

No PT boat activity during the night of 21 Jul. 5 motor mine sweepers were engaged in escort duty. 4 submarines are in the zone of operations, 1 more is en route there.

For the brief report of the 3rd PT Boat Flotilla concerning the night of 19 Jul. see Telegram 1145.

The German Naval Command, Italy reports on the patrolling of the coastal waters off our North African supply ports (see War Diary of 19 Jul.):

a. Daylight patrols by air forces were requested of the Commanding General, Armed Forces, South, who promised them. Actually, there are few patrols owing to the lack of planes.

b. Night patrols are carried out at present by only 3 boats of the 3rd PT Boat Flotilla. Chances of success against enemy destroyers and night fighters are slight. Italian PT boats are en route. It is impossible to increase convoy protection by means of destroyers.

c. Mine barrages for the harbors have been requested from the Italian Naval Command, Libya and the Italian Admiralty. At the moment it seems impossible to lay them. The planned Benghazi mine barrage has been under discussion for a full year without results.

d. The approaches are not kept free of mines, because motor mine sweepers are engaged in escort missions. Italian mine sweepers are in operation at Tobruk only, but in insufficient numbers.

The Commanding Admiral, German Naval Command, Italy makes the following pertinent comment on this discouraging picture.

"We have no choice but to use all ships' weapons and to strain German forces to the utmost; great risks and setbacks are unavoidable. However, the situation at the front and the weakness of the Panzer Army force us to carry on." (See Telegram 0930.)

In connection with this comment on the part of its commander from North African headquarters, the German Naval Command, Italy reports from Rome:

a. For the last 3 days the Italian Admiralty has been preparing the mine field for Marsa Matruh. Standard mines type C will be laid by 2 destroyers in about one week.

b. 2 magnetic mine-sweeping apparatuses will be shipped to Africa on naval barges on 23 Jul.

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c. Sansonetti also promised to reinforce the Tobruk barrage, to speed reinforcements for the coastal artillery, and to transfer additional Italian PT boats.

Regarding the request of the German Naval Command, Italy to equip a number of naval barges for use as improvised mine sweepers see Telegram 1150. The Naval Staff Quartermaster Division is handling this matter.

3. Transport of Supplies to North Africa:

The PILO convoy was attacked by enemy planes at noon on 21 Jul. and the steamer WACHTFELS during the night of 21 Jul., both unsuccessfully. The PILO put in at Navarino temporarily. Other activities according to plan. On 21 Jul. 1,352 tons of material were unloaded at Tobruk and 670 tons at Marsa Matruh.

4. Area Naval Group South:

Aegean Sea:

Approximately 25 4-motored Liberator type enemy planes raided Candia during the evening of 21 Jul.

Black Sea:

No important events.

The problem of transferring naval barges through the Kerch Strait to the Sea of Azov is currently being investigated by Naval Group South in consultation with the 11th Army High Command. It is intended to transfer 12 barges early in August. For details see Telegram 2130.

IX. Situation East Asia

According to a communication from the Japanese Navy, 13 enemy ships of 105,000 GRT and another 10 ships of unknown tonnage were sunk by Japanese submarines in the western Indian Ocean between 15 Jun. and 25 Jul. 2 vessels totalling 15,000 GRT were captured. The enemy press reports that Port Moresby was raided by 26 heavy Japanese bombers with fighter escort.

The U.S. Navy Department announces that 3 Japanese destroyers were sunk by U.S. submarines in the Kiska (Aleutian) area.

X. Army Situation

1. Russian Front:

Army Group A:

German Panzer divisions broke through the anti-tank defenses west, northwest and north of Rostov.

The Panzer forces which crossed the Don River east of Rostov in a broad front are advancing steadily. The towns of Novocherkassk, Sulin and Log

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were captured and a line extending on either side of Bystry was reached.

Army Group B:

On the southern sector our spearheads have reached the rail-road line Morozovskiy-Oblivsk. To the north our divisions closed in on the Chir and Tsaritsa Rivers. The enemy unloaded troops at Kalach (75 km west of Stalingrad) in order to halt the German advance on the Lisra River and to gain time to organize a defense front between the Don and Volga Rivers. Enemy attacks on the northeastern flank of the Army Group continue between Voronezh, Yelets and Livny.

Central Army Group:

Partisan fighting in the Bryansk area. German forces advancing in a northwesterly direction from Demidov made contact with the units advancing in a southeasterly direction from Velizh.

Northern Army Group:

The enemy penetration south of Leningrad was cleaned up through a counterattack of our forces. Fighting is still in progress. New enemy attacks are expected.

2. Finnish Front:

Nothing to report.

3. North Africa:

The enemy attacked the central and northern front sector with strong forces during the night of 21 Jul. and on the following day. All attacks were repulsed. 60 enemy tanks were destroyed and 1,000 prisoners taken. It is anticipated that the attack will be renewed during the night of 22 Jul. and throughout 23 Jul.

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Items of Political Importance

India:

The Government decided to lift the ban on the Communist Party.

Egypt:

The Government agreed to the founding of a new party consisting of Egyptian circles enjoying British confidence. Its members are influential financiers and industrialists.

Turkey:

The appointment of Mr. Arikan as Ambassador to Berlin is the result of the desire of the President, shared by the Prime Minister and the Foreign Minister, for increased cooperation with Germany and their endeavor to intensify the existing cordial relations.

U.S.A.:

The Maritime Commission announced that the sinkings on 12 Jul. were the highest of the war. The loss of U.S. ships due to enemy action, including mines, greatly exceeds new ships being built. It is therefore necessary to limit cargo to essential war materials.

China:

Diplomatic sources report that increasing uneasiness is noticeable in Chungking about the development of the war. There is unconcealed disappointment about the inability of the Allies to take the offensive, at least to launch a naval offensive against Japan in order to alleviate the present situation.

U.S.S.R.:

Pravda demands increased peat and timber production in order to keep Soviet industry going during the coming winter. The New York Herald Tribune emphasizes the seriousness of the supply situation, since Russian reserves are said to be practically exhausted and Anglo-American deliveries far from sufficient to fill the gap.

Conference on the Situation with the Chief, Naval Staff

I. The Chief, Naval Communications Division reports about the installation of additional coastal listening stations in Norway. 2 posts are planned for Alta Fjord. Increased production, though highly desirable, is impossible due to lack of material.

II. The Deputy to the Chief of the Quartermaster Division, Naval Staff reports about the transfer of the 7th PT Boat Flotilla (PT boats S "151" to "158") to the Mediterranean, beginning on 10 Sep. French consent to the use of French inland waterways which was requested on 19 Jul. has already been received.

In a Very Restricted Circle:

III. The Chief of Operations Branch. Naval Staff Operations Division

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reports about the order of the High Command, North Africa of 16 Jul. to the Panzer Army, as reported by the German General at Rome to the Operations Staff, Armed Forces High Command.

"The following is reported by order of the Duce:

1. The Duce appreciates the performance of the Panzer Army during the fight to break the enemy's resistance.
2. He particularly appreciates the immediate action of the motorized forces to prevent enemy break-through attempts at the central front sector.
3. Now, that the situation at this sector has been restored he considers it necessary to abandon any offensive which would place additional strain on our infantry as well as on the motorized forces and would thereby interfere with their rehabilitation for future tasks. This refers in particular to the infantry divisions which are fighting under extremely unfavorable conditions and are therefore subject to particular strain.
4. The Panzer Army is to reorganize as quickly as possible in accordance with the above basic directive.
5. As reported earlier, the Italian High Command and the German High Command, Armed Forces, North Africa have taken steps to supply reinforcements of manpower and materiel as fast as possible and to safeguard the supply of the Panzer Army, considering its special needs for future tasks."

Special Item:

A compilation of the enemy communications intercepted between 13 and 19 Jul. 1942 by radio monitoring and decoding services is contained in Radio Intelligence Report No. 29/42 of the Chief, Naval Communications Division, Communications Intelligence Branch.

It is interesting to note that steamers reported sighting 51 German submarines in the Atlantic, including U.S. coastal areas, and submarines reported sighting 12. The U.S. has introduced routine convoy service for shipping in the South Atlantic.

Situation 23 Jul. 1942

I. War in Foreign Waters:

1. Enemy Situation:

South Atlantic:

According to an intelligence report and to Italian accounts, large convoys carrying troops and materiel have sailed simultaneously from U.S. and British ports for the Red Sea around the Cape. The British convoy left Liverpool on 21 Jul. and will first call at Free-town.

An agent aboard a Spanish steamer reports that his ship was searched by a U.S. destroyer $1\frac{1}{2}$ days out of Rio; the destroyer was escorting a large

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tanker equipped with a catapult.

According to a report of the Naval Attache at Buenos Aires, the steamer QUEEN MARY was anchored off Rio on 12 Jul.; she was previously reported at Freetown on 4 Jul. together with the steamer QUEEN ELIZABETH. The latter was observed on 19 Jul. by air reconnaissance at Suez, having left Colombo on 30 Jun. for Port Elizabeth, according to an agent report. This would tend to confirm the transfer of troops from India to Egypt.

A Portuguese diplomatic source reports the arrival of a great many ships with war material at Loango (north of the Congo River mouth at Pointe Noire). The material is to be shipped to Brazzaville by rail. This information is interesting in view of the reported landing of 80,000 men at Pointe Noire.

Pacific Ocean:

Submarine warnings were intercepted in the area between Brisbane and Sydney and east of Hobart (Tasmania).

2. Own Situation:

Reports were received about a number of gratifying achievements by the auxiliary cruisers:

Ship "28" reports the sinking of the GLOUCESTER CASTLE (8,006 GRT) in large quadrant EO and the WILLIAM F. HUMPHREY (7,983 GRT) and the ARAMIS (9,160 GRT) in large quadrant FG. The present position of ship "28" is in large quadrant FT. (See Radiogram 0158.)

An additional short signal from ship "28" indicates that 8 vessels totalling 56,000 GRT were captured so far and contains the directive to the depot ship CHARLOTTE SCHLIEMANN: "Wait". (See Radiogram 0325.)

In a third short signal ship "28" reports the seizure of an enemy merchant shipping code and calls attention to the fact that submarines could operate to advantage in the Gulf of Guinea. (See Radiogram 0419.)

Finally, ship "28" proposes a rendezvous with ship "23" some time in July in large quadrant FT. (See Radiogram 0456.)

The Naval Staff informs the CHARLOTTE SCHLIEMANN of its intention to arrange a rendezvous also with ship "28"; further details are to follow since the rendezvous depends on the delivery of supplies to ship "23". (See Radiogram 2202.)

The Naval Staff instructs ship "23" and ship "28" by Radiogram 2319 as follows:

a. Radio Norddeich received proposal of ship "28" for rendezvous with ship "23" during July in large quadrant FT.

b. The rendezvous point will be quadrant FT 77, left bottom corner.

c. Ship "23" will report by number the date at which she will arrive at the rendezvous point at 1600; or if the rendezvous is not possible, will signal FOTC, meaning no.

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d. The Naval Staff informed the SCHLIEMANN that a rendezvous with ship "28" is planned too, and that additional information will follow, since it is dependent on supplying ship "23". This does not affect the order given by the Naval Staff on 8 Jul. for ship "23" to report (concerning the fuel supply for SCHLIEMANN).

e. The Naval Staff points out that the SCHLIEMANN has no facilities to accommodate prisoners.

f. 2 blockade runners, sailing from Japan in August, are being equipped to take over prisoners if necessary.

Citation by the Commander in Chief, Navy and bestowing of decorations as reward for the latest achievements of ship "28" by Radiogram 0341.

Radiogram 0129 informs ships "28" and "23" that, effective immediately, the new line of demarkation between their zones of operation will run southward along longitude 18° W to latitude 22° S and from there to the right bottom corner of quadrant GP; ship "28" will operate east and northeast of this line, ship "23" west and southwest of it.

The HERBORG, captured by ship "10", arrived at Yokohama on 22 Jul. with 12,000 tons of crude oil.

Ship "10" is informed by Radiogram 1017 that her prize, the steamer NANKIN, arrived at Yokohama on 18 Jul. (See War Diary of 22 Jul.)

Ship "10" reports by short signal at 1919 that she captured and subsequently sank the British steamer INDUS (5,200 GRT). Radio intelligence had already intercepted reports of the pursuit. (See War Diary of 20 Jul.)

The achievements of the auxiliary cruisers are highly pleasing and valuable, all the more as they are proof of the threat to enemy shipping even outside the range of submarines. Thus the enemy is compelled to use considerable forces for the protection of all his overseas traffic lanes. The relief afforded to our blockade runners is also important.

Enemy situation report to all ships in foreign waters through Radiograms 0624, 0720, and 1017.

Radiogram 1302 contains information about the outcome of the operation against convoy PQ 17, denial of the torpedoing of the TIRPITZ, and short report about the situation at the Eastern Front and in North Africa.

Radiogram 1746 contains information about the enemy shipping situation as of 1 Jun. according to the calculations of the Naval Intelligence Division, Foreign Merchant Marine Branch. In this connection, the Naval Staff asserts that if the present sinking record can be maintained, the available enemy shipping space at the beginning of 1943 will be less than at the beginning of 1942, in spite of the gigantic ship-building program; an increase of enemy tonnage need not be expected before the beginning of 1944.

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II. Situation West Area

1. Enemy Situation:

The Naval Intelligence Division, Foreign Merchant Marine Branch analyzes the docking facilities for British warships in the British Isles in its review Foreign Navies No. 35.

An unidentified ship was located by radio monitoring 65 miles southwest of Cape Vilano.

2. Own Situation:

Atlantic Coast:

12 enemy planes flying at an altitude of only 20 m attacked fortifications, marching columns, and a railroad depot in the Brest area between 1615 and 1640, causing slight casualties.

Channel Coast:

Nothing to report.

Special Items:

a. With regard to the concern voiced by Naval Station, North Sea (see War Diary of 22 Jul.), Group West remarks that the consent of Group West must naturally be obtained prior to the destruction of vital installations. (See Telegram 2122.)

b. Group West comments on the comparison made by the 2nd Coastal Patrol Force between the enemy's and our own achievements with regard to location finding (see War Diary of 21 Jul.); see Telegram 2310.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

According to a decoded radio communication, a British vessel located in the Granton area on 15 Jul., off Tynemouth on 16 Jul., off Grimsby on 17 Jul., and in the Lowestoft area on 22 Jul. reported that she was proceeding on her way with 4 landing craft.

According to an intelligence report from Sweden, an extraordinarily great number of tanks and war material from the U.S.A. is stored in Northern Ireland; all quarters are said to be so crowded that ships have to be unloaded at Glasgow, too. During the last few days Norwegian commando forces were reportedly transferred to the Scottish east coast (Wick) and kept in a state of constant readiness.

Air reconnaissance observed heavy convoy traffic on the English east coast on 23 Jul. 35 steamers were sighted on a southerly course between Great Yarmouth and Flamborough Head and 3 convoys totalling 118 steamers on a northerly course.

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Own Situation:

Bad weather greatly hampered convoy and mine-sweeping activities in the area of the Commanding Admiral, Defenses, North Sea.

The Commanding Admiral, Defenses, North Sea reports 3 more mines swept in addition to the 8 already reported on 22 Jul.

3 mine-exploding vessels swept 8 additional ground mines on 23 Jul.

Enemy incursions over the German Bight were observed during the night of 23 Jul., probably for mine-laying purposes off the West and East Frisian Islands.

The enemy mine offensive in the North Sea continues in full force. The importance of mine-exploding vessels is clearly shown by the good results produced by them.

2. Norway:

Enemy submarines attacked one of our convoys unsuccessfully off Vardoe on 22 Jul. The northern exit of Porsanger Fjord was temporarily closed, due to suspected aerial mines.

The destroyer ERICH STEINBRINCK passed Kristiansand South on her way north.

Normal enemy air activity over the arctic coast and the Norwegian north and west coast. The crew of a British plane which had made an emergency landing near Askevold was taken prisoner.

In consequence of the Fleet Command's report, the decision to return the HANS LODY for shipyard repairs to a home port is upheld. A directive to this effect is issued to Group North. See Telegram 1702.

Since PT boat operations in the Norwegian area produced little result, the Naval Staff intends to withdraw also the 6th PT Boat Flotilla. The Chief of the Naval Staff agrees to this measure. Group North is notified and requested to report its plans for the transfer, if no objections are raised.

3. Arctic Ocean:

Reconnaissance in the Arctic Ocean netted no tactical results. Otherwise nothing to report.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

Mine-laying missions in the area of the Commanding Admiral, Defenses, Baltic Sea continued to suffer from bad weather. Convoy operations proceeded according to plan without major incident.

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V. Submarine Warfare

1. Enemy Situation:

Air reconnaissance over the northern rendezvous area was normal. Very lively activity was observed over the Iceland area and in the southern part of the rendezvous area.

An unidentified ship reported a shadower following a Gibraltar-bound convoy approximately 80 miles southwest of Cape Vincent, probably a submarine. (This cannot be a German submarine.)

The usual submarine sighting reports from off the American East Coast and in the West Indies were intercepted.

2. Own Situation:

Submarine U "609" spotted a new convoy from Great Britain to Reykjavik for the first time at 0700 in quadrant 8812. Another submarine maintained contact with it throughout the day. The enemy will probably make port before any successful attacks can be made.

Group "Wolf" spotted a westbound convoy for the first time at 2100 in quadrant AK 7831. The group is operating against this convoy.

Submarine U "84", operating in the West Indies from the western exit of the Florida Strait, torpedoed a 12,000 GRT tanker and probably sank a 9,000 GRT steamer on 21 Jul. Submarine U "129" reports from the Yucatan Strait sinking steamer PORT ANTONIO (1,266 GRT) and a 4,000 GRT steamer.

No reports of successes from the South Atlantic and the Mediterranean were received.

In view of increasing activity of the British Gibraltar forces in the western Mediterranean in connection with the equipment and supply at Malta, the Naval Staff orders the German Naval Command, Italy to examine the possibilities of resuming German submarine operations in these waters.

Additional reports in Supplement to Submarine Situation, War Diary, Part B, Vol. IV.

Our submarines crossing the Bay of Biscay are seriously menaced by enemy air activity. The Commanding Admiral, Submarines therefore requests that it be examined whether it is possible to interfere with radar probably used on enemy night-flying planes by setting up jamming stations.

"The Bay of Biscay is considered the most dangerous and exacting of all zones of submarine operations at the present time." (See Telegram 1745.)

All efforts must be made to reduce the hazard of this dangerous passage. The examination of further steps in this direction is in the hands of the Chief of the Communications Division, Naval Staff.

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VI. Aerial Warfare

1. British Isles and Vicinity:

During daylight raids 6 enemy planes were shot down by fighter planes and 2 by anti-aircraft artillery.

Single German planes successfully attacked the airplane factories in the Bedford area, as primary targets, and also raided the alternate targets of Ipswich and Cromer.

During the night of 23 Jul. 45 German Do 217's operated against the airplane factories in the Bedford area. Strong enemy forces penetrated into western German territory, concentrating their attacks on Duisburg; lesser forces flew into the eastern area and concentrated on Memel. For damage see daily situation report.

2. Mediterranean Theater:

Operations against Malta and in support of the Panzer Army, North Africa.

3. Eastern Front:

Along the entire front 67 enemy planes were shot down. Otherwise nothing to report.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

According to an intelligence report from Spain, the transport LLANSTEPHAN CASTLE will sail from Gibraltar shortly. 1 submarine was located in the afternoon 7 miles south of Genoa.

Photo reconnaissance at 0730 revealed the following ships in Valletta: 2 destroyers, 2 steamers, 1 harbor tanker, 1 escort vessel, and 4 patrol vessels. No ships were in the harbors of Marsa Scirocco and Cala Francese.

German air reconnaissance observed only warships in the area between Alexandria and Tobruk. At 0620 2 cruisers and 6 destroyers were sighted 26 miles northwest of Alexandria on an easterly course; this is evidently the force returning from bombarding Marsa Matruh.

2. Own Situation, Mediterranean:

Correcting yesterday's situation report, the German Naval Command, Italy reports that the 3rd PT Boat Flotilla carried out torpedo operations east of Marsa Matruh during the night of 21 Jul. without making contact with the enemy.

Enemy planes raided Tobruk during the night of 22 Jul. Marsa Matruh was under fire from sea.

Since operation "Herkules" has been postponed for the time being, there is no need on the part of the German Naval Command, Italy to assign

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personnel and materiel to the landing force. The Naval Staff informs the Quartermaster Division, Naval Staff, the Chief of the Communications Division, The Chief of the Officer Personnel Division, the German Naval Command, Italy and the Admiral, Amphibious Forces and adds that the necessary stipulations will be made when a new date for this operation is fixed (see Communication 1919).

3. Transport of Supplies to North Africa:

2 CITTA class steamers sailed from Suda to Tobruk under escort of destroyer ZG "3".

The steamers WACHTFELS, PILO and SIBYLLE arrived at Benghazi, the OLYMPOS at Tobruk. Operations of transport submarines to Tobruk and coastal supply activities proceeded according to plan and without major incident.

The amount of goods unloaded on 22 Jul. at Tobruk was 626 tons, at Marsa Matruh 250 tons.

4. Area Naval Group South:

Aegean Sea:

Enemy Situation:

A steamer sighted a submarine about 60 miles west of Milos.

Own Situation:

Enemy planes raided Suda on the evening of 21 Jul. A renewed submarine chase on 22 Jul. in the Trikeri-Oreos Channel area again proved unsuccessful. The area north of 37° 40' N was reopened to small vessels.

Convoy traffic according to plan without interference.

Black Sea:

Enemy Situation:

Movements of submarines were revealed by radio monitoring in the Crimean area and 1 submarine was located in the southern Black Sea.

Own Situation:

Enemy planes raided Feodosiya and Ivanbaba on 21 Jul.; 1 boat of the 17th Harbor Defense Flotilla was sunk. Bad weather interfered with convoy operations.

The 15th Harbor Command is advancing to Rostov.

VIII. Situation East Asia

Nothing to report.

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IX. Army Situation

1. Russian Front:

Army Group A:

Our tank and infantry divisions overcame stubborn enemy resistance and entered Rostov from the north and east. The 3rd Panzer Division advanced from the bridgehead at Konstantinovsk toward the Sal River and established a new bridgehead at Orlovka. Enemy resistance in front of the 24th Panzer Division south of Log is stiffening. The mission of the Brandenburg Demonstration Regiment against the Salsk-Stalingrad railroad was unsuccessful.

Army Group B:

On the southern sector we forced light enemy forces to retreat along the Morozovskiy-Stalingrad railroad. In the center, the enemy is holding the eastern bank of the Tsaritsa River. North of this point, motorized divisions advanced in a southeasterly direction to capture the hills in the Don River bend northwest of Stalingrad. Southeast of Yelets enemy tank units succeeded in breaking through our positions west of the Don River toward the south. Another enemy breakthrough occurred south of Yelets. Countermeasures are in progress.

Central Army Group:

Local fighting.

Northern Army Group:

Enemy pressure on the area south of Staraya Russa was maintained from both sides. West of Kolpino the enemy succeeded in breaking through our lines along the road to the south. The breakthrough was sealed off. Our positions south of Oranienbaum were repeatedly attacked without success.

2. Finnish Front:

Enemy attacks originating in the Leningrad area were repulsed. In the Maselskaya area an enemy partisan band of about 900 men attempted to advance to the railroad crossing of Suojaervi.

3. North Africa:

No essential change in the situation. The air force operated in full strength against enemy concentrations of tanks and motor vehicles.

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Items of Political Importance

France:

Informed Washington circles assert that an agreement was reached between the British and the U.S. Governments with regard to the French warships at Alexandria, according to which the ships will be escorted to Jibuti, and if necessary the resistance ordered by Laval will be broken. It is further reported that Admiral Godefroy allegedly refused to follow Vichy's directive to transfer the ships to Beirut.

Great Britain:

In an address held at Nottingham, Eden declared that Great Britain is facing one of the most critical moments of the war. So far, Britain has frequently been able to upset the German plans. The result of the battles in Russia and Egypt will determine the duration of the war. However, no considerations of time, no disappointment and no lost battle can affect the decision to continue the fight against the dictatorships until they are completely disarmed. It is necessary to build a society of nations respecting law and order, within which each nation can prosper in freedom and live without fear, or else all countries will be destroyed in a ruthless struggle. If Great Britain should fail this time, she will probably never have another chance.

Ambassador Hoare spoke very frankly on Great Britain's situation, about which he is very pessimistic from a political viewpoint. Russia has shown her discontent with the results of Molotov's trip by presenting demands almost amounting to an ultimatum with regard to the establishment of a second front and to the delivery of certain war material; American pressure in this direction is also increasing steadily. The American demand that all of the British home forces should be committed to action is considered by the British as "positively impudent" and the Foreign Office is at times under the impression that it is encircled from 3 sides, by Germany, Russia, and the U.S.A.

On the other hand, the military situation can be regarded as promising. A German peace feeler had been rejected by Russia, and Germany will have to face a second Russian winter campaign. Italy will not be attacked directly for the time being, so that the possibility of concluding a separate peace can be followed up further.

Spain:

Political Review No. 171, paragraph 4, contains a report on the Spanish situation. Whereas there is widespread dissent about political aims and methods, there is complete unanimity about the fact that the country must stay out of the war under all circumstances. It is said that any moral obligations toward the Axis Powers have been amply fulfilled by the dispatch of the Blue Division to the Eastern Front. In the long run Spain's foreign policy will probably favor that party from which the greatest improvement of the food situation can most likely be expected.

Finland:

The threatening Government crisis was averted when the Government reduced its financial demands on Parliament.

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U.S.A.:

In a radio address of wide scope, Secretary of State Hull discussed the present world situation, the history of American participation in the war, the aims of the United Nations for the transition period following victory, and the conditions of a lasting peace.

Argentina:

The Foreign Minister informed the Chamber that a number of American nations, starting with the U.S.A. itself, have already violated the resolutions of the Rio Conference. As a consequence, Argentina is no longer bound by the obligations undertaken at Rio. The Government furthermore refuses to participate in the convoy system along the South American coast. Argentina will protest against the requisition of the Argentine tanker VICTORIA by the U.S.A.

Conference on the Situation with the Chief, Naval Staff

I. The Deputy to the Chief of the Quartermaster Division, Naval Staff reports on the tugboat situation which is still a matter of grave concern. At this moment 61 tugs are under construction which should be delivered this year, if no delays are incurred and the required crews are available. It may become necessary to fall back on foreign crews.

In a Very Restricted Circle:

II. The Chief of the Operations Branch, Naval Staff Operations Division discusses the report of the Naval Liaison Officer to the Air Force, Operations Staff: According to intelligence received by the Air Force, the Royal Air Force is willing to resume aerial attacks on Berlin only on condition that strong U.S. units participate and that the anti-aircraft defenses of London are reinforced. At present 50 to 80 U.S. bombers are available in England or northern Ireland which could be used for attacks on Berlin.

The Air Force Operations Staff is convinced that the principal objective of enemy raids on Germany territory is to divert German fighter forces from the west area in view of a planned landing operation.

The air situation in North Africa is constantly deteriorating. There can be no more talk of air supremacy even in territory held by us. Harbors and airfields are subject to heavy enemy aerial attacks, day and night. Our anti-aircraft artillery is unable to give effective protection, and reinforcement of the North African air forces is unfortunately impossible owing to the situation at the other fronts.

Special Items

I. The Fuehrer agrees to grant the French request concerning arming of the battleship JEAN BART.

II. Due to another incident, the Fuehrer considered it necessary to call attention to his order of 11 Jan. 1940 concerning secrecy and the regulations about the handling of confidential matters. This must be

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uppermost in the minds of all officers.

The Commander in Chief, Navy issues an order to this effect to all top commanders. See Ob.d.M. AMA/M/Wehr II 9390/42 geh. in War Diary, Part B, Vol. V.

III. Following up the Naval Staff memorandum concerning the construction of additional light forces (1/Skl Ia 11684/42 Gkdos. of 27 May 1942 in War Diary, Part B, Vol. V ; see War Diary of 2 Jun.) and taking into account also the proposals of the Naval Construction Division as well as the comments of the Naval Staff, Quartermaster Division, Fleet Branch of 17 Jul. 1942, the Naval Construction Division has now cancelled the contracts for the construction of the Model 1942 torpedo boats T "63" to "74" and the Model 1941 torpedo boats. The new V engine will be fully developed and preparations made for mass production. However, the Naval Construction Division points out that the construction program based on the Naval Staff's demands is still entirely in the planning stage, and that neither shipyard facilities nor slipways can be held in readiness as long as there is no prospect for the allocation of the required raw materials. In the opinion of the Naval Construction Division there will be no difficulty in building a number of model 41 escort vessels in place of mine sweepers, once it is assured that the new construction program can be carried out.

For the respective directive K-Stab 1207/42 Gkdos. of 24 Jul. see 1/Skl 18101/42 Gkdos. in War Diary, Part B, Vol. V.

Situation 24 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

According to an intelligence report, a convoy of approximately 37 ships sailed from Freetown to the British Isles on 14 Jul.; more than half of them are carrying grain from Australia.

Indian Ocean:

1 British aircraft carrier and 8 light vessels were anchored off Lourenco Marques on 23 Jul.

Pacific Ocean:

On 21 Jul. the British motor ship ROOKLEY sailed from Punta Arenas in the direction of the Pacific after arriving from Africa in ballast.

2. Own Situation:

The radio message of ship "28" of 23 Jul. at 0419, reporting the capture of the merchant shipping code and the favorable conditions for submarine operations in the Gulf of Guinea, was finally decoded and confirmed by Radiogram 1328.

~~Radiogram 1458 notifies ship "10" to inform all ships in foreign~~

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waters about the arrival of the HERBORG at Yokohama on 22 Jul.

Further study of ship "10"'s log reveals that the seizure of the NANKIN took only 45 minutes from the moment she was first sighted. The number of prisoners taken by ship "10" has mounted to 319, all of whom were transferred to the captured ship with the exception of 20 colored people. Judging from the QQQ signal subsequently received by the Perth radio station on 10 May concerning the NANKIN, ship "10" withdrew immediately in a southerly direction for operations between the latitudes of 30° S and 35° S. British ships make every effort to escape attacks; they radio signals, zigzag and shoot.

Radiogram 1734 informs ship "10" as well as all ships in foreign waters accordingly.

Enemy situation report by Radiograms 1107, 1231, 2005, and 2122.

The captain of the DOGGERBANK, Lt. Schneidewind, is informed about being awarded the German Cross in gold by Radiogram 2154.

II. Situation West Area

1. Enemy Situation:

According to intelligence based on information received on 23 Jul. from British Embassy circles in Madrid, "the British are busy concentrating about 2,400 fast motor boats and boats of shallow draft on the English coast. Such ships are ordered to England even from their bases at Gibraltar, the Mediterranean and West African coasts. The vessels are being assembled in preparation for a landing attempt on the Channel coast or Atlantic coast expected by the end of next month".

The many reports, all pointing to serious preparations for landing operations originating from the English coast, call for serious consideration. There can be no doubt that preparations of this character are actually being undertaken on a large scale. There is no telling if and when the operation will materialize. It is necessary, however, to be prepared.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

Several Spitfires, some of them at a very low altitude, flew over the Belgian and French coasts. No reports of any damage were received.

The 3rd Torpedo Boat Flotilla will transfer from Le Havre to the bay of St. Malo during the night of 24 Jul.

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3. Special Items:

The Commander, PT Boats commenting on his war diary of 15 to 31 May 1942, arrived at the conclusion that the prospects for successful PT boat operations in the west area are no longer good since the mines we are using are swept by the enemy without any difficulty, and PT boats cannot operate over long distances without being detected by enemy radar.

In reply, the Chief of the Operations Division, Naval Staff points to the necessity and possibility of achieving successes by laying mines over wide areas. For copy of this reply, addressed to Group West and the Commander, PT Boats, see 1/Skl I E 17974/42 Gkdos. in War Diary, Part C, Vol. IIB.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance sighted a convoy consisting of 63 steamers on a southerly course off Harwich.

Own Situation:

Mine-exploding vessels swept 3 ground mines north of the West Frisian Islands. Bad weather is still interfering with convoy and mine-sweeping services.

2. Norway and Arctic Ocean:

Enemy Situation:

Radio monitoring established the presence of 3 British ships in the waters between the southern entrance of the Gorlo Strait and Archangel, one of which presumably arrived from a northerly direction.

According to air reconnaissance, 7 steamers on a southerly course were north of Langanes (Iceland) at 1640.

Own Situation:

Enemy planes were active on the northern and western coasts in the afternoon of 23 Jul.

Convoy and mine-sweeping operations in the area of the Commanding Admiral, Norway proceeded according to plan without incidents of importance.

For directive of Group North concerning the return to home base of HANS LODY see Telegram 1253.

3. Arctic Ocean:

Nothing to report.

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IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

By radio monitoring it was established that 12 submarines were at sea on 22 Jul. and 11 on 23 Jul.

2. Own Situation:

Nothing to report from the area of the Commanding Admiral, Defenses, Baltic Sea.

From the eastern Baltic Sea: Minefield "Seeigel 20" was laid according to plan. Mine-sweeping operations were somewhat affected by bad weather. The torpedoed steamer ALDEBARAN was brought into port. Convoys proceeded according to plan.

V. Merchant Shipping

See report no. 17/42 of the Naval Intelligence Division, Foreign Merchant Marine Branch for facts concerning British shipping at the La Plata, Turkish merchant shipping during the war, enemy shipping between Port Said, Mersin and Iskenderon, and finally about shipping between Lourenco Marques, Beira, Mozambique, and Mombasa.

VI. Submarine Warfare

1. Enemy Situation:

1 British ship was located by radio monitoring 470 miles west of Cape Finisterre and 1 British ship 135 miles west of Porcupine Bank.

10 steamers escorted by 2 corvettes and 2 patrol vessels on a course of 300° to 320° were spotted in the forenoon west of Cape St. Vincent by air reconnaissance.

U.S. submarine S "20" intends to operate in the Gulf of Maine. Numerous reports about the sighting of submarines off the U.S. East Coast and one from 150 miles southeast of Trinidad were intercepted.

2. Own Situation:

Task Force "Wolf" is still engaged in the operation against the convoy in quadrant AK. No reports about any successes were received.

Additional report under Supplement to Submarine Situation, War Diary, Part B, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

Small German forces carried out armed reconnaissance and

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dropped 4 SC 500 bombs on the town and depot of Withersea with observed good results. Otherwise nothing to report.

2. Mediterranean Theater:

Daylight raids on Malta were continued. The Air Commander, North Africa reports 19 enemy planes shot down by his fighters during reconnaissance and free-lance missions.

Reconnaissance was carried out over the entire Mediterranean area. For results see Enemy Situation, Mediterranean.

3. Eastern Front:

In operations for the support of the Army Groups A and B, 60 enemy planes were shot down.

An attack on the enemy convoy off Langanes (Iceland) was unsuccessful.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

On 23 Jul. the CHARYBDIS docked at Gibraltar. The troop transport LLANSTEPHAN CASTLE sailed from Gibraltar in a westerly direction on 24 Jul.

The arrival of one submarine at Valletta was noted; normal convoy traffic was observed in the area between Alexandria and Port Said. Photo reconnaissance revealed the following ships at Alexandria: French ships unchanged, otherwise 2 destroyers, 3 escort vessels, 3 patrol vessels, 4 small warships, 4 tankers, 12 steamers (2 of which in dock) totalling approximately 70,000 GRT, and 2 steamers of 10,000 GRT each just arriving. At Suez on the forenoon of 13 Jul.: 4 destroyers, 2 of them Greek, 54 freighters, 6 tankers, and 4 passenger ships, totalling about 375,000 GRT.

2. Own Situation, Mediterranean:

Enemy planes raided Benghazi on the evening of 23 Jul. No operations by the 3rd PT Boat Flotilla.

3. Transport of Supplies to North Africa:

The convoy of motor ship PISANI (6,300 GRT) was attacked by 8 enemy torpedo planes south of Cephalonia. The PISANI was hit by 1 torpedo and had to be beached burning in the evening. 3 of the attackers were shot down. So far no report was received about the arrival of tanker PAVOLINO at Tripoli. Destroyer ZG 3 with 2 CITTA class steamers arrived at Tobruk on schedule. ZG 3 and 1 Italian torpedo boat returned immediately to Suda. The convoy was unsuccessfully attacked by enemy bombers and torpedo planes en route to Tobruk during the night of 23 Jul.

Coastal supply traffic on schedule.

4. Area Naval Group South:

Nothing to report.

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Situation France:

The standpoint of the Italian Naval High Command with regard to the use of French escort forces against submarines was submitted in a note to the French Delegation by way of the Italian Armistice Commission. For copy see 1/Skl 18119/42 Gkdos. in War Diary, Part C, Vol. XVI.

The German Naval Command, Italy informed the Naval Staff about this note upon request of the Italian Naval High Command and also requested that the German Armistice Commission be notified. For details see War Diary, Part C, Vol. VIII.

IX. Situation East Asia

According to Radio Daventry, the Japanese main fleet has sailed from home waters.

According to Reuter, about 2,000 Japanese landed in the vicinity of Buna on the northeastern shore of New Guinea. Port Moresby is considered seriously endangered, since the northern terminal of the railroad to this town has been seized.

X. Army Situation

1. Russian Front:

Army Group A:

Tank units are crossing to the southern Don River bank in the direction of Bataisk. Other units are crossing the river west of there Novocherkassk was captured. East of this place, units of the "Grossdeutschland" Division crossed the Don River and established a bridgehead in the direction of Sussatskay.

Army Group B:

Advance detachments of a motorized division are close to Kalach. Tank forces which had advanced north of this place broke through the enemy positions and are advancing toward the hills south-east of Platkaya. The broken enemy lines are still putting up fierce resistance in the rear area. Hungarian units crossed the Don south of Svoboda. Enemy attacks of strong tank forces north of Voronezh were repulsed. The enemy continued to attack at the penetration point south-east of Yelets. The forces which succeeded in breaking through yesterday were forced to retreat northward.

Central Army Group:

Local fighting.

Northern Army Group:

At the northern sector of the strip southeast of Staraya Russa the old front line was restored. In the Leningrad area renewed

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enemy attacks were repulsed and enemy troop concentrations smashed by gunfire.

2. Finnish Front:

On the northeastern sector the enemy raided a prisoner of war camp, which was looted and the prisoners liberated. The prisoners, except a few, were recaptured. In the area of the 20th Army Command both sides are making increased use of incendiary bombs and ammunition in order to start forest fires.

3. North Africa:

Our forces regrouped. Except for isolated enemy reconnaissance patrols, nothing to report.

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Items of Political ImportanceGreat Britain and U.S.A.:

The question of establishing a second front is under lively discussion in London and Washington. Litvinov made urgent representations in this matter to Roosevelt and to the Washington representatives of other countries. Following his conference with Litvinov, Roosevelt received the Chief of the U.S. Army Air Forces, who will travel to Russia in a few days on a secret mission.

On 22 Jul. the King of England received Churchill, the Secretary of War, the Minister of Transportation, the Minister of Supplies and the First Lord of the Admiralty for a report on the preparations for the second front.

Dissenting views are also being expressed. American and British military circles, for instance, are reported to be convinced that it is impossible to rush the plans for establishing a second front in Western Europe.

According to information from a diplomatic source, Ambassador Maisky was instructed to present an ultimatum demanding that the second front be established, threatening that Russia would otherwise cease fighting against Germany. Supposedly Russia has come to the conclusion that in the final analysis all the British and Americans want is to see Russia and Germany annihilate each other.

U.S.A.:

A recently published book by H.W. Baldwin, Strategy for Victory, analyzes the position of the U.S.A. soberly and considers it grave. The author, who is the New York Times military expert, demands the immediate utilization of all weapons and war methods, lest the war be lost by the Allies in the course of the current year. 7 vital areas must be protected under all circumstances: the British Isles, the Near East, India, China, Hawaii, Midway Island, and Alaska. Australia is omitted. For details see Political Review No. 172, paragraph 5c.

Special Items:

I. During a conference with the Japanese Naval Attache on 24 Jul., the Chief, Naval Staff Operations Division reviewed the situation with regard to the developments on the Eastern Front and in North Africa. Stressing reports that the enemy is drawing on all his reserves, including the forces in India, to save his position in Egypt, he emphasized once more the importance of Japanese submarine and naval operations against the Anglo-American supply routes in the western Indian Ocean. In addition, an operation or even the threat of an operation against strategic points in the Indian Ocean would be of tremendous value at this moment and would prevent the enemy from shifting additional forces to the Suez Canal area. For a transcript of the conference, see 1/Skl I Opa 18183/42 Gkdos. in War Diary, Part C, Vol. XV.

II. The Air Force Operations Staff has definitely promised to have the meteorological expedition "Knospe" picked up by plane after 3 Aug.; it had been doubtful whether this could be done, so that it had to be considered whether the expedition could be picked up by destroyer or submarine.

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III. As agreed with the Naval Staff, the Commander in Chief, Air Force ordered, effective as of 14 Jul., that the Air Force General attached to the Commander in Chief, Navy is henceforth relieved of his function as the latter's adviser with regard to operational and command problems of the Air Force units which are tactically subordinated to the Navy. This task is taken over by the General Staff Officer of the Air Force attached to the Naval Staff. The service instructions for the Air Force General attached to the Commander in Chief, Navy say that he is responsible for the training of the ship-borne aircraft squadrons and carrier plane units in the interest of cooperation between the Air Force and the Navy. It is his duty to advise the Commander in Chief, Navy in all matters regarding the air forces which do not concern operational and command questions or the operational cooperation between the Operations Staff, Air Force and the Naval Staff. He is to look after the personnel and materiel needs of the ship-borne and carrier plane units according to the directives issued by the Air Force Operations Staff in consultation with the Naval Staff.

IV. Report no. 34 for June 1942 on the economic situation put out by the War Economy Division, Armed Forces High Command indicates a further deterioration of the situation in the entire armament industry. Only the allocation of freight cars for coal and petroleum shows an improvement. The food situation is particularly grave.

For copy no. 23 of the report see 1/Skl 17881/42 Gkdos. in War Diary, Part C, Vol. XII.

V. On 23 Jul., the Chief, Naval Staff Operations Division informed the Commanding Admiral, Naval Group South about the intention of the Commander in Chief, Navy to transfer Captain Heye from his post as Chief of Staff, Group South. He will be replaced by Captain Brinkmann, while Captain Heye will replace Rear Admiral Klueber as Chief of Staff, Naval Group North. The latter is slated for the post as Admiral, Arctic Ocean.

In a detailed telegram the Commanding Admiral, Group South pointed out that Captain Heye is indispensable as Chief of Staff at the moment and for some time to come; he asked that his transfer be reconsidered and that it be postponed as long as the development of the naval situation in the southeast area does not permit such a change without serious disadvantages.

The Commander in Chief, Navy decides that Captain Brinkmann is to assume his new assignment to Group South immediately so he can be broken in as Chief of Staff and that Captain Heye is to remain at his present post as long as necessary to complete current operations and break in his successor. The Commander in Chief, Navy reserves the right to determine the appropriate time.

Rear Admiral Klueber becomes Admiral, Arctic Ocean at once. The duties of Chief of Staff, Group North will meanwhile be taken care of by the first admiral staff officer, until Captain Heye becomes available.

Situation 25 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

~~The Japanese Embassy at Vichy has information that 3 British~~

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battleships, namely MALAYA, NELSON, and RODNEY, were at Freetown on 24 Jul. According to an Italian report either the NELSON or the RODNEY is in the waters west of Gibraltar.

From the reports on hand the identity of the battleships in question cannot be reliably determined.

2. Own Situation:

Ship "23" reports by short signal at 2256: "Yes, 3600, will keep rendezvous on 28 Jul." The Naval Staff acknowledges receipt of the signal to ship "23" and informs ship "28" as follows:

a. The CHARLOTTE SCHLIEMANN may be retained in the waiting area until the end of August and still continue to Japan; her fuel supply at this moment is 3,600 cu.m.

b. Ship "23" will be at the point of rendezvous with ship "28" at 1600 on 28 Jul. (See Telegram 1640.)

Ship "28" and ship "23" are instructed as follows:

a. Following their rendezvous, the zone of operations is divided by longitude 15° W; ship "28" is assigned to the eastern and ship "23" to the western zone.

b. The SCHLIEMANN is under orders to wait for ship "28" daily, beginning 29 Jul., at a point 145 miles due east of point "Schubert". Thereafter, the southern half of the large quadrant west of the supply quadrant is assigned to the SCHLIEMANN as waiting area. See Radiogram 1806.

Sailing order to this effect for CHARLOTTE SCHLIEMANN was transmitted by Radiogram 1615.

By short signal received at 2215, ship "23" requested 2 new Arado 196 planes.

Information about enemy situation by Radiogram 2257.

II. Situation West Area

1. Enemy Situation:

An intelligence report from England reports that the repair of a KING GEORGE V class battleship damaged by collision is almost completed. While under repair, her underwater torpedo tubes were improved.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

The transfer of the 3rd Torpedo Boat Flotilla from Le Havre to the Bay of St. Malo had to be postponed for 24 hours on account of the ~~breakdown of one boat.~~

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III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance spotted 3 convoys totalling about 90 steamers off the southeastern coast.

Own Situation:

Mine-exploding vessels swept 3 ground mines north of Terschelling and off Ameland and Norderney. Some of the mine-sweeping operations were affected by bad weather.

2. Norway and Arctic Ocean:

Enemy Situation:

Air reconnaissance over the Arctic Ocean brought no tactical results. An intelligence report concerning the assembly of a new convoy for the Arctic Ocean (see War Diary of 21 Jul.) reveals further details about the nature of the cargo and discloses the fact that a considerable number of Russian warships will meet the convoy at the half-way mark.

Own Situation:

A Russian battery fired 19 rounds on a Petsamo convoy on 25 Jul. without causing damage. 16 American survivors of convoy PQ 17 drifted ashore at Rolfsoe Sound on 24 Jul.

The destroyer ERICH STEINBRINCK arrived at Trondheim on 24 Jul. The destroyers HANS LODY and THEODOR RIEDEL were towed south from Trondheim on 25 Jul.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

Nothing to report from the area of the Commanding Admiral, Defenses Baltic Sea. Convoy operations suffered from bad weather.

The 27th Landing Flotilla laid the minefield "Nashorn 11" in the eastern Baltic Sea according to plan. The Kronstadt Sea Channel was mined according to plan with TMB "gruen" mines in shallow water. Mine-sweeping operations were affected by bad weather. Transport service on schedule.

Group North submits an analysis of the situation by the Commander, Mine Sweepers, Baltic Sea. According to this report, increased Russian activity of larger ships, possibly even of battleships, must be anticipated. There are increased mine-sweeping activities, and lively traffic to and from the islands. Stalin has allegedly ordered that Someri, Hogland and Tytersaari be recaptured. Supposedly submarines are assembling at Kronstadt to attempt an organized breakthrough.

The Commander, Minesweepers, Baltic Sea requests, in connection with his planned defense measures, that the obsolete and slow Finnish PT boats be replaced by a few new ones. Group North considers that the situa-

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tion in the Gulf of Finland is becoming increasingly critical. The Group approves the measures taken by the Commander, Mine Sweepers, Baltic Sea and orders assault boats immediately to lay TMB mines in the Kronstadt Sea Channel. (This was already done during the night of 25 Jul.) For copy of the respective telegram see 1/Skl 18215/42 Gkdos. in War Diary, Part C, Vol. III.

The analysis of the situation sounds rather alarming and the Naval Staff sees no particular reason for such alarm. It has been known all summer that the enemy is making every effort to win greater freedom of movement and become more active.

V. Submarine Warfare

1. Enemy Situation:

Radio monitoring revealed 5 steamers and 2 escort vessels southeast of Reykjanes on a southeasterly course at 2200 on 24 Jul. This may be the reason for the increased reconnaissance activity observed over the Iceland area.

From the South Atlantic 180 miles southwest of the Cape Verde Islands a message was intercepted that an Italian steamer, call letters BYMP, was torpedoed. When repeated, the report was termed doubtful.

Patrol vessels southwest of buoy no. 4 off Cape Hatteras reported gunfire from a submarine. A U.S. warship was dispatched to the reported location.

2. Own Situation:

Contact with the convoy in the central North Atlantic was maintained intermittently. Up to now, 2 steamers totalling approximately 16,000 GRT were torpedoed and probably sunk. The attacking submarine U "252" was driven off.

Group "Wolf" continues operations against this convoy.

No successes were reported by our submarines on the American East Coast, the West Indies, the South Atlantic or the Mediterranean.

For details see Supplement to Submarine Situation, War Diary, Part B, Vol. IV.

The Commanding Admiral, Submarines is informed by the Naval Staff that ship "28" has sunk 3 steamers of 24,000 GRT outside of the submarine zone of operations in the Gulf of Guinea and that she reported this area to be promising hunting ground for submarines. The Naval Staff leaves it to the discretion of the Commanding Admiral, Submarines to enlarge the submarine operations area correspondingly.

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VI. Aerial Warfare

1. British Isles and Vicinity:

The day was uneventful. During the night of 25 Jul. considerable enemy planes penetrated into the west area and some into the east area. Attacks in the west concentrated on Duisburg and caused considerable damage.

2. Mediterranean Theater:

Our raids on the Malta airfields continued. Other missions were flown for reconnaissance and for the protection of our convoys. A bomber flight attacked an enemy convoy west of Haifa and damaged one steamer despite strong defenses. 5 Ju 52's were damaged during an enemy air raid on the airfield of Candia in the night of 24 Jul.

3. Eastern Front:

Planes supporting the Army shot down 43 enemy planes. In the Stalingrad area 2 tankers were set afire by incendiary bombs on the Volga River; on the lower Volga a number of tugs and barges were attacked, some of which were damaged or set afire. 1 gunboat was sunk off Azov.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

According to an intelligence report from Spain, the transport LLANSTEPHAN CASTLE which sailed from Gibraltar in a westerly direction had 1,500 relief troops and 150 civilians on board. All 3 cruisers in the harbor of Gibraltar are in dock.

Altogether 3 submarines were observed in the harbor of Valletta.

In the area between Alexandria, Jaffa and Haifa normal convoy and patrol activity. No important changes were observed in the harbors of Haifa and Suez.

2. Own Situation, Mediterranean:

The transfer of the Italian PT boats assigned to operations in North Africa was completed. At the moment 7 small and 7 large Italian subchasers are at Tobruk. During the night of 25 Jul. 2 Italian PT boats are in waiting position east of Marsa Matruh. A crane was set afire as a result of an enemy air raid on Tobruk during the night of 23 Jul.

With regard to the suggestion of the Naval Staff to lay minefields in the North African coastal waters, the Commanding Admiral, German Naval Command, Italy reports that the Italian Naval High Command is planning to lay mine barrages and assign 2 destroyers. The Naval Command wants the minefields laid from 27° 14' E, 31° 27' N to 27° 18' E, 31° 24.5' N. The Commanding Admiral, German Naval Command, Italy considers the assignment of ZG 3 for this task desirable in case the Italian plan should not materialize. (See Telegram 1616.)

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The Naval Staff considers the above location of the minefield excellent and desires that the barrage be laid as soon as possible. In view of previous experiences it can be assumed that, notwithstanding the Italian Naval High Command's promise, the minefield will be laid only if we exert the utmost pressure. The Naval Staff leaves it to the discretion of the Commanding Admiral, German Naval Command, Italy to ask that either the Naval Staff or the Commander in Chief, Navy intervene.

For this mission ZG 3 is placed under the operational command of the Commanding Admiral, German Naval Command, Italy. Mines will be supplied by Naval Group South and the Commanding Admiral, Aegean Sea.

A directive to this effect, adding that the location of the barrage is within the 200 m line, is transmitted to the Operations Staff, North Africa of the German Naval Command, Italy, with copies to the German Naval Command, Italy, to Naval Group South and to the Commanding Admiral, Aegean Sea. (See Telegram 1501.)

3. Transport of Supplies to North Africa:

Steamer PAOLINO arrived at Tripoli in the evening of 24 Jul. Steamer ARGENTEA and motor ship GIULIA sailed on 24 Jul. from Palermo and Naples for Tripoli. Tanker RONDINE was unsuccessfully attacked by enemy planes at 2300 on 24 Jul. north of Derna. Coastal supply traffic with auxiliary sailing vessels, naval barges, and steamer OSTIA according to plan.

On 24 Jul. 970 tons were unloaded at Tobruk.

4. Area Naval Group South:

Aegean Sea:

Enemy planes raided the air bases of Candia and Tymbakion during the night of 24 Jul. Convoy service on schedule.

Black Sea:

Enemy Situation:

German air reconnaissance on 24 Jul. sighted the hull of a KIROV class warship and 5 coastal vessels outside the harbor of Tuapse. On 25 Jul. the ship's hull could no longer be found; it had evidently been towed away.

Own Situation:

4 motor mine sweepers arrived at Balaklava. Otherwise nothing to report.

VIII. Situation East Asia

No reports have been received.

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IX. Army Situation

1. Russian Front:

Army Group A:

The bridge over the Don River south of Rostov was completed. Advance units captured Kalinin, approximately 20 km south of the Don River. A bridgehead across the Sal River was established at Martinovka. The forces which had crossed the Don southwest of Rostov advanced southward and are attacking Bataisk. The Don was crossed at several places southeast of Rostov. Spearheads are advancing toward Olginskaya.

Army Group B:

On the southern sector we reached the area 20 km west of Chirskaya. Northwest of Kalach we repulsed enemy attacks on the Liska sector. Enemy attempts to cross the Don at Losevo were frustrated by Hungarian forces, and attacks on the northern sector of the Voronezh bridgehead repulsed. Mopping-up of the penetration at Yelets continues. However, new enemy attacks in this area are to be expected. This applies also to the area south and northwest of Livny.

Central Army Group:

South of Bryansk, several localities were captured from partisans. Between Demidov and Velizh, German forces advanced in easterly direction and repulsed enemy tank attacks.

Northern Army Group:

A Russian attack south of Leningrad succeeded in breaking into the position of an infantry division, making a counterattack necessary.

2. Finnish Front:

Coastal batteries scored hits on enemy ships in the Gulf of Finland. On the western shore of the southern portion of Rybachi Peninsula construction of fortifications has been observed.

3. North Africa:

Nothing to report except reconnaissance activity and gunfire.

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Items of Political ImportanceGreat Britain:

Opposition against the pressure of public opinion for the establishment of a second front in western Europe appears in public addresses and in the press. Besides the conservative Sir Edward Grigg, who demands that the time and place of a second front be left to the military leaders, Minister of Labor Bevin, in addressing the Welsh miners took issue with the persistent advocates of a second front; he pointed out that the safest way to victory lies in the speedy repair of merchant vessels and greater output of coal. The Economist denies that Molotov recently received a guarantee for the establishment of a second front and warns that the failure of a second front could mean losing the war. The magazine Aeroplane emphasizes the difficulties of an invasion of Norway or France and holds that the best policy Great Britain could pursue is still the aerial bombardment of Germany on the greatest possible scale and the continuation of the supply of planes and other war material to Russia.

The incessant clamor accompanying each and every enemy action contrasts strongly with the absolute silence preceding the surprise blows of the Axis Powers.

U.S.A.:

A supply board is to be set up with the task of initiating the immediate construction of a fleet of transport planes in order to help overcome the lack of tonnage required for shipping troops and war material.

For a special report on the U.S. war production see Political Review No. 173, paragraph 2c.

While total new construction of the first 6 months of 1942 lagged behind schedule, the estimates for May and June were exceeded. Serious difficulties will arise with regard to the supply of certain raw materials. During the month of May 4,000 planes were built.

Situation 26 Jul. 1942I. War in Foreign Waters1. Enemy Situation:South Atlantic:

The British Ministry of Economic Warfare announced that Germany and Japan have initiated a blockade-runner service round Cape Horn in order to exchange machine tools for rubber.

It is strange that the enemy should not have better information.

Indian Ocean:

According to an Italian source, the QUEEN MARY arrived at Port Said. On 2 Jul. 3 British warships reportedly landed a major troop detachment on Mayotte Island (Madagascar) which captured the ~~mistice-commissions~~.

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It is not quite clear what is meant here.

It was belatedly established from a decoded Admiralty report that unidentified planes bombed and machine-gunned the Keeling Islands on 15 May.

2. Own Situation:

Radiogram 1003 contains appreciation and congratulations of the Commander in Chief, Navy to the captain and crew of ship "10", the award of additional war decorations, and further information that the captured MADRONO sailed from Batavia to Yokohama on 22 Jul.

The Naval Staff agrees with the proposal of the Naval Attache at Tokyo regarding war decorations for the boarding detachment of the NANKIN. A very rigorous criterion must be applied and planned further operations taken into consideration when these decorations are conferred at the discretion of the Naval Attache after consultation with the commanding officer of the prize crew.

Directive to this effect to the Naval Attache at Tokyo by Radiogram 1235.

Enemy situation report by Radiogram 0359.

II. Situation West Area

1. Enemy Situation:

According to air reconnaissance, the convoy from Gibraltar was observed at noon 320 miles west of Cape Finisterre on a course of 350°; its size remained unchanged. In the forenoon a passenger steamer of 7,000 to 12,000 GRT, probably the LLANSTEPHAN CASTLE, was sighted under escort of 2 destroyers on a course of 360° 360 miles west of Porto.

Lively convoy traffic in the western Channel area.

2. Own Situation:

Atlantic Coast:

Owing to the suspected presence of aerial mines, the roadstead and harbor of La Pallice were temporarily closed. 1 enemy plane was shot down off Ile de Re by 2 patrol vessels; off Bayonne 2 minesweepers were attacked by a Sunderland plane, which withdrew under fire and subsequently attacked the Spanish steamer CASTILLO ALMANSA with bombs and gunfire. At noon, a German convoy was strafed and bombed by a Sunderland plane in the same area.

Channel Coast:

Intense enemy air activity over the entire coastal region. At 2340 of 25 Jul. and at 0130 of 26 Jul. 3 subchasers were bombed and strafed by enemy planes south of Boulogne; they suffered light damage and casualties.

15 rounds were fired by our batteries on an enemy convoy off Ramsgate at 2344 of 25 Jul.; results were not observed.

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At 0345 2 patrol vessels had a brief engagement with 4 enemy gunboats off Cherbourg. It is probable that a few hits were scored on the enemy vessels which withdrew after 20 minutes. Patrol vessel "712" suffered some minor damage but no casualties. At 1539 a sea rescue boat was sunk off Calais by a formation of Spitfires. The entire crew and 2 propaganda company reporters were lost. A crash boat going to the rescue was unsuccessfully bombed by an enemy plane.

2 vessels of the 3rd Torpedo Boat Flotilla have transferred to the Bay of St. Malo, 2 vessels returned to Le Havre on account of engine trouble.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance revealed lively convoy traffic off the southeastern and eastern coasts.

Own Situation:

Mine-exploding vessels swept 2 mines and a harbor patrol vessel a third one off Terschelling and Borkum. Convoy service according to plan. Mine-sweeping was somewhat affected by bad weather.

During the night of 25 Jul. lively enemy air activity over the northern Dutch coastal area; planes penetrated as far as Oldenburg.

2. Norway and Arctic Ocean:

Nothing to report.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

On 24 Jul. 2 STOROSHEVOY class destroyers which passed through the Sea Channel to Kronstadt suffered 3 hits from our guns. On 25 Jul. 2 destroyers and 1 vessel with tall masts under camouflage nets could be made out at Kronstadt.

2. Own Situation:

The gravel-carrying sailing vessels ANNA and ELISABETH sank in Eckernfoerde Bay due to mines. 3 transport steamers sailed from Oslo to Finland; owing to bad weather they had to put in at Horten.

For the request of the Commanding Admiral, Baltic Countries to the Northern Army Group to initiate the transport of wounded soldiers from Riga and Libau see Telegram 1440.

As a result of careful daily reconnaissance by the 1st Air Force it appears useless to commit Italian subchasers and coastal mine-laying

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craft against the Russian convoy traffic on Lake Ladoga, since this traffic moves only in very shallow waters. The only successful method to combat it is offered by the 14 Siebel ferries of the 1st Air Force. Group North therefore suggests that the Italian subchasers and coastal mine-laying craft be transferred to the Gulf of Finland and the Armed Forces High Command be asked for a decision. For copy of the respective telegram see 1 Skl 18268/42 Gkdos in War Diary, Part C, Vol. III.

The Naval Staff considers the planned measure to be appropriate.

V. Submarine Warfare

1. Enemy Situation:

Planes believe that they attacked 2 submarines successfully and a third one without success in the northern rendezvous area. Another plane reported its position above a surfaced submarine 270 miles northwest of Cape Vilano.

In the South Atlantic, a U.S. steamer with the call letters KFNJ flashed a submarine warning signal 30 miles northeast of Monrovia and reported sighting a periscope.

A report about a submarine attack off Newfoundland was intercepted; numerous reports of sighted submarines off the U.S. coast and in the West Indies were intercepted.

2. Own Situation:

Submarine U "601" reports from the west coast of Novaya Zemlya that no traffic was encountered there.

Continuing their operations against the convoy east of Newfoundland, submarine U "607" scored 2 hits on an 8,000 GRT steamer and submarine U "704" a probable hit on a 5,000 GRT steamer. Contact was lost during the forenoon owing to fog and poor visibility.

No successes were reported from the U.S. coast. From the West Indies, submarine U "160" reports sinking a 7,500 GRT steamer and submarine U "66" sinking tanker TJIBESAR (10,800 GRT) west of Trinidad.

On 15 Jul. submarine U "130" of the South Atlantic group sank the tanker EXPRESS (10,055 GRT) southwest of Freetown after missing the steamer EMPRESS OF CANADA. At the same time submarine U "201" reports sinking the British ship "T 137".

For details see Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

During the night of 25 Jul. 22 of our planes raided Middlesbrough from altitudes between 700 m to 1500 m; they concentrated on the

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Wharfyard in the Tees River bend. The results observed were good in view of the unusually low altitude of the attack.

Air activity during the night of 26 Jul. over the northwest European coastal region. The attacks concentrated on Hamburg where considerable damage was done. (See daily situation report.) The Naval Office there was heavily damaged. Preliminary reports indicate 3 planes shot down by anti-aircraft artillery and 12 by fighter planes. Final reports will follow.

2. Mediterranean Theater:

The II Air Corps continued its attacks on the Malta airfields.

Sandstorms prevented major operations in North Africa.

Between Port Said and Alexandria 1 of our reconnaissance planes was shot down by the fighter defense which is remarkably efficient in this area and is beyond the range of our fighter planes.

3. Eastern Front:

In highly effective operations over the areas of Army Group A and B, 124 enemy planes were shot down on 26 Jul.

A number of steamers, tugboats, tankers and freight barges on the Volga were sunk or set afire.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

Photo reconnaissance reveals that 2 submarines and 2 escort vessels sailed from Valletta in the forenoon. A third submarine remained in the harbor.

Nothing to report from other areas.

2. Own Situation, Mediterranean:

Enemy air raids on Tobruk during the nights of 24 and 25 Jul. caused no damage.

Italian submarines operating in the eastern Mediterranean report sinking a 5,000 GRT steamer and a heavily loaded troop transport but gave no further details.

2 Italian subchasers were in waiting position east of Marsa Matruh during the night of 25 Jul.

3. Transport of Supplies to North Africa:

Supply transports between Italy and Tripoli proceeded according to plan. 5 German naval barges sailed on 25 Jul. from Palermo to Tripoli.

The steamer OSTIA was unsuccessfully attacked by an enemy submarine

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between Tobruk and Marsa Matruh.

For details of the aerial torpedo attack on 24 Jul. on the motor ship PISANI off Cephalonia see Telegram 0630.

2 naval barges en route from Marsa Matruh to Tobruk suffered damage and casualties through strafing by enemy planes on 25 Jul.; they are temporarily out of commission.

On 25 Jul. 651 tons of material were unloaded at Tobruk and 315 tons at Marsa Matruh.

4. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Mine-sweeping operations outside and inside the Crimean ports brought no results so far.

Naval barge "134" is out of commission after running aground. The Mariupol floating dock will probably be refloated by 28 Jul.

Convoy service according to plan.

Special Item:

A description of the Russian naval bases and ports on the Caucasian coast of the Black Sea is contained in a pamphlet of May 1942 by the Naval Intelligence Division.

VIII. Situation East Asia

No reports of any importance were received.'

IX. Army Situation

1. Russian Front:

Army Group A:

The heavily fortified town of Bataisk was stormed. The Koissny bridgehead was widened in a southerly direction. Units of the "Grossdeutschland" Infantry Division and the 16th Motorized Division advanced from their bridgeheads in the direction of the Manych River. Heavy enemy pressure is being exerted on the bridgeheads of Orlovka and Tsymliansk. Rumanian divisions reached the heights of the Ilyin area at the northern wing of the Army Group.

Army Group B:

~~North of Chirskaya and north of Kalach a fierce battle is in~~

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progress. North of Voronezh we repulsed tank-supported attacks. We succeeded in encircling the enemy forces cut off at the penetration point south of Yelets. Russian attacks at Livny failed.

Central Army Group:

2 enemy battalions were encircled southeast of Velizh.

Northern Army Group:

Except for futile enemy attacks in the Kholm area, nothing to report.

2. Finnish Front:

On the front of the Maselskaya Group, heavy traffic was observed in the rear of the enemy's position and on the Murmansk railroad.

On the northeastern sector gunfire and scouting activity on both sides. Otherwise nothing to report.

3. North Africa:

Fighting was on a small scale due to a sandstorm. In the evening 25 enemy tanks cautiously advanced on the southern sector.

Little air activity on both sides.

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Items of Political Importance

France:

According to an intelligence report from Marseille, General Weygand is planning a trip to Dakar via Gibraltar in order to establish contact with the Americans and not with De Gaulle.

Great Britain:

A mass meeting of 60,000 called by communists to propagandize the establishment of a second European front took place in Trafalgar Square on 26 Jul.

In a radio address to the U.S.A., Cripps criticized Gandhi's attitude. Great Britain is obliged to preserve India under all circumstances as a secure base of operations against Japan. Gandhi himself made an undisguised attack on Japan in his periodical Harijan. India will resist all imperialistic ambitions and will permit the Allies to maintain troops in India. Any Japanese attack will be opposed with all means available.

Argentina:

According to Reuter, on 25 Jul. the Argentine Foreign Ministry finally recognized the U.S. expropriation procedure against the Argentine tanker VICTORIA; Transocean contends that this is the result of a re-purchase clause contained in the sales contract of the vessel which originally was a U.S. tanker.

Brazil:

A note of protest against the arrest of Brazilian nationals in occupied France emphasizes that the break of diplomatic relations with Germany was made merely to safeguard Pan-American interests. The Government further protested against the attacks by German submarines on Brazilian shipping.

China:

Chungking military circles assert that strong Japanese forces are being concentrated in central Mongolia for an attack on Siberia. It is assumed that an offensive in the direction of Chita is planned. Alleged Japanese mopping-up activities in North China constitute merely an attempt to divert attention from Japanese troop concentrations.

Conference on the Situation with the Chief, Naval Staff

I. The Chief, Naval Staff approves of Group North's plan to do without light German and Italian vessels on Lake Ladoga. (See War Diary of 26 Jul.)

II. The Chief, Naval Communications Division compares the time required to evaluate radio intelligence aboard ship and at headquarters on land, as based on observations during operation "Roesselsprung" and during the transfer of PRINZ EUGEN from northern Norway to home waters. The procedure could be speeded considerably by shifting Group North's

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headquarters from Kiel to Sengwarden. Even so it will hardly be possible to make up for the delay caused by transmitting and evaluating the information on land.

The Chief, Naval Communications Division expresses his opinion on the suggestion of the Commanding Admiral, Submarines that jamming stations be set up on the western French and northern Spanish coasts in order to interfere with radar on enemy planes in the Bay of Biscay. This proposal is impracticable on account of the insufficient range of available transmitters. The only remedy at this moment is to use detection devices on board the threatened submarines; 60 of these devices are ready for immediate installation. The effectiveness of this device is limited, however, because it can be used only when the submarine is surfaced.

Finally, the Chief, Naval Communications Division reports that on account of the constantly growing losses, the Commanding Admiral, Submarines was forced to make the radical change in the radio code as planned in order to eliminate all possibilities which might account for these losses.

In a Very Restricted Circle:

III. The Chief, Operations Branch, Naval Staff Operations Division reports on Fuehrer directive no. 45 concerning future operations on the Eastern Front. For particulars of the directive see the report of the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters in War Diary of 22 Jul. and the report of 19 Jul. of the Naval Representative on the Armed Forces High Command, Operations Staff in War Diary of 19 Jul.

IV. With reference to a particular case the Chief, Naval Staff wants to make it clear that in view of the real purpose of the war diaries, superior officers are not permitted to object to statements of fact for the reason that these statements contain a criticism of or a complaint about higher commands.

Special Items

I. A survey by the Naval Intelligence Division (3rd edition) lists the status of the British fleet and the names of its commanding officers as of 1 Jun. 1942 and, among other things, the British warship losses up to 3 May 1942. According to this, 466 ships were lost, among them 5 battleships, 4 aircraft carriers, 20 cruisers, 79 destroyers, 40 submarines, 27 auxiliary cruisers, 178 mine sweepers and anti-submarine vessels. 75 of the last named group were the victims of mines. Of the total loss of 446 ships, 44 are credited to German submarines, 103 to planes, and 55 to Italian and Japanese successes.

II. Reports about the submarines of the Russian Black Sea fleet, about the construction of harbor installations at Koweit (Red Sea) and about the disposition of the French fleet as of 1 Jul. 1942 are contained in the News Analysis No. 36/42 "Foreign Navies" of the Naval Intelligence Division.

III. Our Naval Attache at Rome reports a discussion with the Japanese Naval Attache at Rome in the course of which the latter commented on the great influence of the Japanese Navy upon the basic policy and the

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strategy followed by Tokyo, although this influence never shows outwardly. The present lack of activity of Japanese naval surface forces is necessitated by extensive repairs in the wake of recent operations. The Japanese Attache spontaneously expressed his regrets that the enemy succeeded lately in bringing a great number of transports through the Red Sea to Suez. He apologized for the lack of activity on the part of the Japanese submarines in these waters which he attributed to the small number of submarines suitable for the purpose. Moreover, operations in the Socotra area are at present handicapped by the prevailing strong monsoons.

Situation 27 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

South Atlantic:

According to a report of the Naval Attache at Buenos Aires, the steamer QUEEN MARY arrived in Rio on 12 Jul. and left on 14 Jul. with U.S. troops for Australia.

The Italian Armed Forces High Command sent the following information with regard to the reported large convoy from Freetown:

The convoy arrived at Freetown in 3 sections and consists of approximately 100 vessels. The first section was composed of 25 to 30 large passenger steamers including the QUEEN MARY, QUEEN ELIZABETH, MANHATTAN and PASTEUR, with approximately 50,000 to 70,000 men and was escorted by the NELSON and RODNEY. The second section was escorted by the MALAYA and HANNOVER (this is apparently a completely garbled name). The third section consisted of merchant vessels with cargos of war material and was escorted by 2 aircraft carriers.

As reported by the Naval Attache at Istanbul, a part of this convoy is scheduled to arrive at Suez by the end of July under escort of the NELSON and RODNEY, and QUEEN ELIZABETH will arrive in Alexandria.

The unusually numerous reports about this giant convoy, which can be traced to more or less the same source, seem to indicate that a very large and heavily escorted convoy is actually en route with troops and materiel via Freetown around the Cape and that a part of the ships is destined for the Red Sea. However, there is no reliable indication as to its composition, port of destination, or the strength of its escort.

According to a communication from a special French source, the following auxiliary cruisers are reported to be in the South Atlantic at this moment: ALCANTARA, ASTURIAS, CARNARVON CASTLE, CHESHIRE, CILICIA, CORINTHIA, and LARGS BAY.

Indian Ocean:

The Naval Attache at Istanbul reports the following ships in the Indian Ocean: RAMILLIES, RESOLUTION, ROYAL SOVEREIGN, INDOMITABLE, ILLUSTRIOUS, FORMIDABLE, and probably the WARSPITE and REVENGE.

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2. Own Situation:

The radio code material captured by ship "28" should be of great value for radio intelligence. The Naval Staff assumes that ship "28" will take advantage of her rendezvous with ship "23" to inform the latter about this material and will deliver the original documents to the-CHARLOTTE SCHLIEMANN on the occasion of their subsequent meeting.

The Naval Staff informs ships "28", "23", and "10" to this effect; in case the assumption is incorrect, the short signal "No" should be sent because it is planned to have a submarine take over the material from the SCHLIEMANN. For safety reasons 4 copies of the captured documents, with the exception of the already known Mersig Code, are to be delivered to the SCHLIEMANN. (See Telegram 2011.)

Radiogram O706 contains information on the enemy situation and states that La Plata River shipping has diminished by about 60% and has at present reached the bottom level of 1917.

II. Situation West Area

1. Enemy Situation:

At 2155 air reconnaissance sighted 12 steamers off Portsmouth, some of which had 2 barges in tow; they were heading for port. At 2200 15 steamers were lying off Middles Point (Isle of Wight) and not far to the north there were 10 more steamers partly concealed by a smoke screen. 9 steamers escorted by 3 patrol vessels on a westerly course were sighted off Lizard Head. A number of ships were located in the eastern and western parts of the Channel by radio monitoring, and 7 PT boats, 1 mine sweeper, 2 subchasers and 1 crash boat were identified.

2. Own Situation:

Atlantic Coast:

1 ground mine was swept in the waters off Lorient.

Channel Coast:

During the night of 26 Jul. enemy planes made a futile attack on the 14th Subchaser Flotilla off the Canche River mouth. Between 1930 and 2030 on 27 Jul. a great number of enemy planes flew over the coastal area between Ostend and Calais without dropping bombs.

3. Special Items:

a. The Commander, PT Boats reports on the experiences of the PT boats regarding the range of enemy radar; in one case, which occurred in the western Channel area, this range was established to attain 38 or 40 miles. The Commander, PT Boats believes that similar distances are covered in the Hoofden also, greatly handicapping PT boat operations; he requests a thorough investigation as to whether the range of enemy radar could be reduced by our using different microwave sets, by a change of the antenna arrangement, or by other measures. For details see Telegram 2100. The Chief, Naval Communications Division will attend to the matter.

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b. The Commander, Destroyers reported his plans for the disposition of the torpedo boats in August based on figures of 26 Jul. Torpedo boats T "4", "10", "13", and "14" will be assigned to Group West. The Naval Staff expects that the open water firing exercises at Trondheim will be concluded by the first part of August, and directs the Fleet and the Commander, Destroyers first of all to increase the number of torpedo boats of Group West ready for action to 4 or 5. This complies with the request of Group West which reported that due to the poor condition of the torpedo boats any one of them can drop out at any time.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance located 15 to 20 steamers off Harwich in the morning, and in the evening 43 steamers on a northerly and 14 steamers on a southerly course off the eastern coast. There was little air reconnaissance over the North Sea.

Own Situation:

During the night of 26 Jul. numerous air attacks on ships took place in the North Sea area. Forces of the Commanding Admiral, Defenses, North Sea shot down 4 planes. During the same night, naval anti-aircraft guns brought down 15 planes. After 1530 6 enemy planes flew over the German Bight and dropped bombs on the south bank of the Elbe River and on Wangeroog. One of the attackers was shot down off Borkum by a harbor patrol boat.

Between 1925 and 2008 45 Spitfires raided Walcheren Island; one of them was shot down by naval artillery. Bombs were dropped near Emden at 1715.

Mine-exploding vessels swept 2 ground mines off Terschelling; a third one was swept by the 34th Mine Sweeper Flotilla south of the approach buoy of Den Helder (off Egmond-aan-Zee). The fact that a mine was swept near Egmond-aan-Zee is important, because the enemy has never laid mines there before. However, it is possible that a mine was dropped by mistake.

Convoy and channel-sweeping operations in the area of the Commanding Admiral, Defenses, North Sea proceeded according to plan.

2. Norway and Arctic Ocean:

Enemy Situation:

According to statements of war prisoners from convoy PQ 17, ground mines may be expected in the waters of Iceland, Iokanga and the entrance to the White Sea. For their exact positions see Group North's report 1 Skl 18282/42 Gkdos. in War Diary, Part C, Vol. IIa.

Recent air reconnaissance established shipping in the southern part of Matochkin Strait for the supply of bases and anti-aircraft batteries at its entrance. This illustrates the increased importance of Novaya Zemlya.

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A periscope was sighted south of Aarsteinen (Lofoten Islands) on 26 Jul.

Own Situation:

A submarine hunt by 2 mine sweepers off Aarsteinen proved futile. The ships towing the LODY and RIEDEL left Bergen on a southerly course at 0300.

The Swedish diplomatic exchange ship DROTTNINGHOLM arrived at Kristiansand South from New York on 26 Jul.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

On 26 Jul. 12 submarines were located by radio monitoring and extraordinarily busy radio communication was observed between Lavansaari and Kronstadt. On 27 Jul. a great number of small war vessels, including 5 gunboats, 6 mine sweepers and 15 to 20 patrol and PT boats were sighted off Lavansaari.

2. Own Situation:

Nothing of importance to report from the area of the Commanding Admiral, Defenses, Baltic Sea. As reported by Group North, dock Bruno will be transferred from Kiel to Gdynia on 4 Aug. and the GRAF ZEPPELIN will be transferred from Gdynia to Kiel on 13 Aug. (See Telegram 0826.)

The Naval Staff is not yet clear as to whether the GRAF ZEPPELIN should be left in the eastern Baltic Sea for the time being. The lack of shipyard workers has created a new situation regarding new constructions and repairs in the order of priority and will certainly affect also the beginning of work on the GRAF ZEPPELIN. A decision on this matter will have to be reached shortly in consultation with the Quartermaster Division, Naval Staff and the Naval Construction Division.

The steamer LARSEN was repeatedly but unsuccessfully attacked off Windau by an enemy submarine, both with torpedoes and gunfire. A submarine chase has been ordered.

Convoy service according to plan without major incident. Mine-sweeping activities were affected by weather conditions.

V. Submarine Warfare

1. Enemy Situation:

Reconnaissance activity over the northern rendezvous area was lively, probably in connection with an arriving convoy. At 1530 a plane reported attacking a submarine on an easterly course in the middle of the Bay of Biscay; the submarine was probably hit twice. An additional plane was dispatched against her. A British vessel was

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located 325 miles west of Rockall Bank. In the Freetown area the British tanker TEKOA (8,695 GRT) gave a submarine warning signal and reported sighting a periscope.

A U.S. steamer, call letters WJGQ, was torpedoed approximately 500 miles south of the Cape Verde Islands.

2. Own Situation:

Contact with the convoy east of Newfoundland was lost definitely and the "Wolf" group has terminated operations against it. Submarine U "582" reports sinking a new steamer of 2,498 GRT about 500 miles south of the Cape Verdes. Her captain and chief engineer were taken aboard.

Additional reports in Supplement to Submarine Situation, War Diary, Part B, Vol. IV.

VI. Aerial Warfare

1. British Isles and Vicinity:

Strong German forces raided Birmingham during the day and the night of 27 Aug.; also a number of industrial plants and airfields were attacked during the day with good results. For details see daily situation report.

A few enemy planes penetrated into German territory during the day reaching Leer, Bremen, and the West Frisian Islands. A few bombs were dropped. During the night of 27 Jul. 45 enemy planes were reported from Belgium and northern and western France.

2. Mediterranean Theater:

The airfields of Lucca and Venezia were raided during the day. 9 enemy planes were shot down during missions flown in support of the Panzer Army, North Africa.

3. Eastern Front:

In support of the attacking armies 48 enemy planes were shot down and 29 destroyed on the ground. A gunboat on the Volga River was damaged.

Special Items:

a. The fact that British planes are making repeated daylight attacks and score bomb hits even in bad weather leads the Operations Staff, Air Force to conclude that the planes are guided by radio beams and that the British equipment is far superior to that of the Germans.

b. The Siebel ferries of the Air Force on Lake Ladoga will not be ready for operations until the end of August. The delay is caused by training difficulties.

c. German raids on British airfields were not very successful recently, because they were mostly executed by new and inexperienced crews. It may also be that the altitude from which we usually attack is too great.

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The tight fuel situation contributes largely to existing training difficulties.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The French steamer MITIDJA was captured by a British submarine en route from Oran to Marseille, off Cape Palos. The French torpedo boat FOUGUEUX went out to her assistance during the night of 26 Jul.

Photo reconnaissance again revealed 3 submarines in the harbor of Valletta at noon.

A submarine sighted 5 miles west of Sidi Barrani confirms the suspicion that a systematic fight is being waged against our coastal supply shipping.

Only light convoy activity was observed off the Syrian coast.

According to an unconfirmed Italian report, a British submarine sank off Haifa on 22 Jul. in waters 110 m deep.

2. Own Situation, Mediterranean:

An enemy air raid on Tobruk during the night of 26 Jul. caused no damage. In the forenoon, westbound naval barges were attacked unsuccessfully by enemy planes 8 miles west of Marsa Matruh. A convoy of 3 steamers escorted by 2 corvettes sailing in northerly direction was attacked by a German submarine 15 miles off Jaffa; no hit was scored.

3. Transport of Supplies to North Africa:

On 26 Jul. the steamer ARGENTEA arrived at Tripoli from Palermo. The arrival of steamer GUILIA, due at Tripoli this afternoon has not yet been reported. The motor ship MONVISO is scheduled to sail from Brindisi to Benghazi this afternoon. Other ship movements according to plan without major incident.

During 26 Jul. the amount of material unloaded at Tobruk totalled 940 tons, at Marsa Matruh 72 tons.

4. Area Naval Group South:

Aegean Sea:

Nothing to report.

Black Sea:

Enemy Situation:

As before only minor movements of Russian naval forces were observed in the eastern Black Sea.

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Own Situation:

During the night of 25 Jul., 1 enemy gunboat and 1 PT boat attacked 2 German patrol vessels in the Sea of Azov. 1 patrol vessel was sunk, her crew is missing. During the same night light enemy air raids took place on Mariupol and Taganrog. Mine-sweeping operations off the Crimean coast had no results. The motor mine sweepers R "33" and R "164" arrived at Sulina, so that all 8 ships of the 3rd Motor Mine Sweeper Flotilla are in the Black Sea at present.

VIII. Situation East Asia

On 23 Jul. our Military Attache at Bangkok reported about the situation in the northeastern Pacific on the basis of information from the Japanese India Bureau:

Japanese naval supremacy extends over the area west of a line from Midway to the Aleutian Islands. A landing attempt on the Midway Islands, staged from the main Japanese island of Hondo on 5 Jun. failed, because the Americans recognized the plan at an early stage and called in superior air and naval forces from Hawaii. The Japanese Army units suffered no losses, because the troop transports withdrew in time and returned to Japan. The strategic importance of these islands makes it necessary to repeat the operation. The occupation of the ice-free Aleutian ports of Kiska and Attu, executed on the same day, was launched from Hokkaido and succeeded as a surprise despite the fact that it took 2 weeks to get there. The islands had no fortifications and the harbors are now serving as Japanese submarine bases; enemy air raids against them are greatly handicapped by the prevailing fog. Japanese military analysts blame the failure of the Midway operation on the fact that the forces were divided in order to carry out the Aleutian operation at the same time.

IX. Army Situation1. Russian Front:Army Group A:

At noon the enemy began to withdraw south and southeast of Rostov. A German spearhead reached the Kagalnik River at Kagalnitsk. Our forces advanced beyond Bataisk to the south. Olginsk was captured. The Manych River was reached and bridgeheads established. Enemy attacks on the Tsymlyansk bridgehead were repulsed.

Army Group B:

On the southern sector, the Don River was reached north and south of Chirskaya. Increased enemy resistance by tank forces was encountered at Kalach and on the heights north of it. The rest of the front was comparatively quiet, following the heavy attacks of the last few days.

Central Army Group:

No major engagements.

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Northern Army Group:

Southeast of Lake Ilmen the enemy attacked the Pola River sector following an artillery barrage.

2. Finnish Front:

Nothing to report.

3. North Africa:

During the night of 26 Jul. the enemy began his offensive on the northern sector after an artillery barrage; strong infantry and tank forces attacked in westerly and southwesterly direction and succeeded in breaking into our positions at several places. These local penetrations were sealed off in the course of the forenoon by reserves and the enemy was subsequently thrown back by a counterattack under heavy losses of personnel and materiel. 32 enemy tanks were destroyed, over 1,000 prisoners taken. One German and one Italian battalion suffered severe losses.

Enemy detachments staged a harassing attack during the night of 26 Jul. and succeeded in reaching the Casaba-West airfield where they destroyed several German planes. The detachment was thrown back into the Qattara Depression by a German unit. German and enemy air forces took very active part in the operations.

So far only 1 rifle battalion and 1 anti-tank battalion of the Italian Air Landing Division have arrived at the front.

Special Items:

On 25 Jul. the Military Attache at Tokyo submitted a report stemming from the Soviet Consulate General about the conference of the Supreme War Council held at Kuibyshev between 7 and 11 Jul.; at this conference it was decided to hold under all circumstances the line running from Leningrad via Moscow and Kuibyshev to the Caucasus and to go over to the offensive later after the armies have been reorganized and replenished.

The command of the special, so-called protective army was entrusted to Voroshilov; General Koslov with strong forces was ordered to Anapa against potential German attacks across the Kerch Strait. Large quantities of fuel, reported to amount to 20,000 to 30,000 tons daily, are shipped from the Caucasus up the Volga River for the supply of the northern front.

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Items of Political Importance

Concerning the establishment of a Second European Front, it is learned from a diplomatic source that British military circles believe the best time for it would be in midwinter, for climatic as well as technical reasons. The Allied military commanders, however, are said to be willing to risk an earlier start of the operations, although there are still doubts as to the adequacy of the Allied forces concentrated thus far on the British Isles.

According to French reports, informed Washington sources state that due to recent developments U.S. military leaders have changed their minds completely with regard to the most effective war measures. Attention is now being focused on the problems of air strength and transportation. The destruction of German industry by mass air raids offers the best chances of success, also as regards an invasion of Europe.

A leading French socialist, who fled to De Gaulle, declared, according to British reports, that the entire French population is waiting to join the Allied troops in the event of a landing. The resistance movement embraces all classes with very few exceptions. It is growing particularly in Brittany, in the north of France, in Lyon and Marseille.

The American radio commentator Sullivan declared that the tonnage required for the invasion of the European continent is still available. The Naval Staff shares this opinion. Also, the amount of troops and materiel on British soil is sufficient. Should the Allies not yet be completely prepared, they must risk immediate action even with lesser forces, in order to prevent a Russian collapse. It may safely be assumed that an offensive in the west would result in a Japanese attack on Siberia or Australia.

France and Syria:

Reports from Beirut claim that serious differences have arisen between the De Gaullist General Catroux and the British commander for the Near East, General Spears.

Great Britain:

Contrary to previous expectations, Churchill will make no statement on the war situation prior to the summer recess of Parliament.

India:

For details about Gandhi's article in Harijan see Political Review No. 174, paragraph 3.

Egypt:

A Turkish diplomat reports that the present situation is desperate as a result of British pressure. The country as a whole is convinced that the loss of Egypt would mean that the Empire loses the war, and that therefore the Egyptian campaign is far more important than the Russian campaign.

Portugal:

The Portuguese Government vigorously opposes British attempts to

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sponsor a plebiscite among the white population of the Cofala and Manize Districts (Mozambique) in order to decide whether these areas are to remain Portuguese or be joined to Rhodesia. The area in question comprises Beira, the principal port and terminal of the rail roads to Rhodesia and Nyasaland.

Argentina:

The German Embassy at Madrid reports about a conversation with Argentine diplomats, according to which Argentina is firmly resolved to remain neutral. The population's appreciation of this policy is growing. The pressure exerted on Argentina and Chile by the U.S.A. is far stronger than generally believed. For this reason further incidents created by submarine warfare should be avoided.

Due to American pressure, a parliamentary investigating committee started an examination of the situation of the interned crew of the GRAF SPEE. Of 1,054 internees, 130 are reported to have escaped, mostly early in 1940, including 23 officers.

Conference on the Situation with the Chief, Naval Staff

I. Report of the Chief, Operations Branch, Naval Staff Operations Division: According to a communication from the Japanese Naval Attache, the armament of the light cruisers TIKUMA and TONE was altered from 12 15.5 cm guns to 8 20.3 cm guns in 4 turrets; that of the light cruisers KUMANO, SUZUYA, MOGAMI and MIKUMA from 15 15.5 cm guns to 10 20.3 cm guns in 5 turrets. The 6 20.3 cm guns mounted in single turrets of the heavy cruisers HURUTAKA and KAKO were replaced by 6 20.3 cm guns mounted in twin turrets in order to gain space for a catapult.

II. The Chief of the Naval Construction Division reports on the extent of the authority of Staatsrat Blohm in his capacity as chairman of the Central Board for the Shipyard Industry with regard to warship construction. Staatsrat Blohm gave the assurance that he will not interfere arbitrarily with the assignment of construction work on warships to the shipyards, since this matter is not subject to his authority. The Commander in Chief, Navy insists on adequate guarantees that this assurance will actually be carried out.

Another report deals with platform vessels which the Army plans to use for shipping tanks. The Naval Construction Division believes that the usefulness of such vessels is very limited.

With regard to the resumption of construction work on the GRAF ZEPPELIN the Chief of the Naval Construction Division points to the advisability of reviewing Group North's order of 13 Aug. for the transfer of the ship to Kiel; the reexamination is necessary in view of the present labor situation and because this project ranks 5th on the priority list. The Naval Staff has already taken care of this matter. (See War Diary of 27 Jul.)

The labor problem at the Salamis shipyard is difficult but can best be solved by permitting the Greek workmen to be fed from military stores. This would also obviate the complicated system of sending Greek labor to Germany and bringing German shipyard workers to Greece. The Commander in Chief, Navy issues an order to this effect.

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III. The Deputy to the Chief, Naval Staff Quartermaster Division reports that the conversion of 10 naval barges into gun carriers will be completed by the end of August. In addition, the Commanding Admiral, Defenses, West receives 4 anti-aircraft vessels of 1,600 GRT each from the Air Force; this is a welcome reinforcement of his protective forces.

In a Very Restricted Circle

IV. The Chief of Operations Branch, Naval Staff Operations Division reports as follows:

The British Gibraltar-based forces have displayed increasing activity in the Western Mediterranean; this is confirmed by the plane-ferrying operations twice a month within the last 3 months, and by the fact that cruisers are operating singly and also heavy and medium ships are escorting convoys carrying supplies to Malta. In view of this situation, the Naval Staff instructed the Commanding Admiral, German Naval Command, Italy to examine the feasibility of committing German submarines to operations in the western Mediterranean; the Commander, Submarines, Italy was informed of this, too. According to the Naval Staff's observations, British naval forces regularly penetrate eastward at least to the waters between Mallorca and Algiers and stay there for some time. The Naval Staff sees good prospects for 2 submarines.

In reply, the German Naval Command, Italy reported that only 4 submarines would be ready for operations in the entire Mediterranean theater until about 8 Aug., then to the middle of August a maximum of 7, and during the latter half of August again only 4 boats. The Naval Command believes that it would be best to concentrate submarines as well as all other means of warfare in the eastern Mediterranean, in view of the small number of submarines available and the present situation at the front of the Panzer Army. Operations in the western Mediterranean would practically eliminate all chances of success in the vital area and could be justified only if the achievements there had a direct bearing on the situation in the eastern Mediterranean. 2 submarines are regarded as insufficient.

On the whole, the Naval Staff agrees with this analysis of the German Naval Command, Italy, but considers it necessary to investigate whether a way could not be found to combat both the British naval forces and the supply traffic in the western Mediterranean. The Fuehrer is greatly interested in this problem, as reported by the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters; also the supply of Malta undoubtedly has a very direct effect on the situation of the Panzer Army, North Africa in that German supply transports are threatened by operations based on this island. The Naval Staff will approach the German Naval Command, Italy to this effect. The Chief, Naval Staff consents.

V. Apart from the probable loss of 7 submarines previously reported, the additional loss of 2 more submarines is feared.

Submarine U "576" (Lt. Heinicke) operating last off Cape Hatteras and submarine U "751" (Lt. Bigalk) which left St. Nazaire on 14 Jul. have not been heard from since. It is possible that they were sunk by a plane or a mine.

Submarine U "106" sailing from western France was attacked by an enemy plane and is unable to dive. Help is on the way.

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VI. The Air Force General Staff declined to participate in operation "BV 222" (raid on New York).

VII. The German General attached to Italian Armed Forces Headquarters reported on 26 Jul. to the Operations Staff, Armed Forces High Command: The Italian High Command instructed the Italian Commander in Chief, North Africa to hold the present Alamein front as a springboard for future operations against the Nile Valley and the Suez Canal and to fortify the position for defense.

Parts of the Italian forces are to be ferried from Italy to North Africa on ships which thus far were reserved for operations planned against Corsica.

Ships for this and similar purposes have been withdrawn from the supply traffic to North Africa. In view of the effects produced by the lack of supplies during the recent African operations, this is most deplorable.

The Italian High Command believes that the facts that the railroad will resume operations soon and coastal shipping by means of naval barges is functioning already will ensure adequate supply of the Panzer Army.

The 50:50 ratio of German and Italian supply shipments from Italy to North Africa cannot be altered in favor of Germany at this moment, because the Italian units, almost incapacitated by lack of trucks and ordnance, are in urgent need of replacements. However, the Italian High Command has consented to make special provisions for transporting 2 German anti-aircraft units.

VIII. The Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters reported on 2 Jul. that Headquarters was considering the plan of handing over Crete exclusively to the Italians; it was argued that Crete would no longer be menaced, once the eastern Mediterranean is cleared of major British naval forces and Egypt and the Suez Canal are seized. Although this matter is not acute yet in view of the temporary standstill of the Egyptian offensive, the Naval Staff considered it necessary to define its stand on the question of ceding Crete. See l/Skl I b (plan) 1381/42 Gkdos. Chfs. In view of strategic considerations during the war as well as political considerations both during and after the war, the Naval Staff feels that it is of vital importance that Crete remain in German hands during the war because of Suda Bay with its excellent harbors which supplement our bases in the Black Sea, and after the war because of the island's decisive value to the position of greater Germany in the southern area.

The Chief, Naval Staff agreed with this analysis which is forwarded to the Permanent Representative of the Commander in Chief, Navy at Fuehrer Headquarters; the Naval Representative at the Operations Staff, Armed Forces High Command; Naval Group, South; and the Commanding Admiral, German Naval Command, Italy. Copies are sent to the Naval Liaison Officers at the Army General Staff and the Air Force Operations Staff. Copy in War Diary, Part C, Vol. XIV.

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Special Items

I. The Naval Staff informs Naval Group South about Fuehrer Directive No. 45 (see War Diary of 27 Jul.) from which it quotes the objectives of the planned operations:

Army: "The main task of Army Group A consists in seizing the entire eastern Black Sea shore, thus eliminating the Black Sea harbors and the enemy's Black Sea fleet."

Air Force: "Shipping on the lower Volga is to be disrupted by mines. The Air Force will concentrate its efforts on cooperating with the forces attacking the Black Sea ports; apart from directly supporting the Army, the Air Force, in cooperation with the Navy, is to prevent enemy naval forces from interfering."

Navy: "The Navy is charged with the direct support of the Army in crossing the Kerch Strait; moreover, the naval forces available in the Black Sea will have to prevent enemy naval action against the operations along the Black Sea coast. In order to facilitate bringing up Army supplies, a number of naval barges are to be transferred through the Kerch Strait to the Don River as quickly as possible. In addition, the Naval High Command is to make preparations to operate light naval forces on the Caspian Sea in order to disrupt enemy sea communications (oil transports and the communication with Anglo-American forces in Iran)."

Excerpts from the Fuehrer Directive No. 45 are sent to Naval Group North, as follows:

"The Northern Army Group is to prepare for the capture of Leningrad by the beginning of September at the latest. Code name for this operation is "Feuerzauber". For this purpose 5 divisions of the 11th Army, heavy artillery, and other troops required will be transferred to the Group."

Conforming with Directive No. 45, both Naval Groups are strongly impressed with the necessity of keeping this information absolutely secret.

II. For his personal information, the German General at Tokyo is notified of the conference on 24 Jul. between the Chief of the Naval Staff Operations Division and the Japanese Military Attache. Copy of the Telegram l/Skl I op a 1839/42 Gkdos. Chfs. is in War Diary, Part C, Vol. XV.

III. It was established some time ago that shipping from Vladivostok to Kamchatka Peninsula has increased in volume. Since it is practically impossible to transfer cargo from anti-Axis ships to Soviet ships at Petropavlovsk, it must be assumed that this traffic has some connection with the northern shipping route. The Naval Attache at Tokyo confirmed this assumption in reply to an inquiry addressed to him. He reported on 16 Jul. that approximately 20 ships coming from the U.S. arrived at Kamchatka in groups between 25 Jun. and 15 Jul.; the Japanese Navy assumes that they are destined for a convoy sailing by way of the northern route. This tallies with statements made by war prisoners and reported on 6 Jul. by the Commanding Admiral, Baltic Countries, according to which a convoy was to sail in June from Vladivostok for European Russia over the northern route.

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Moreover, it is learned from an intelligence report of 29 Jun. that at least 18,000 bushels of wheat for Russia are being prepared for shipment in August via Vancouver to Siberian ports. Information gathered by the Naval Intelligence Division permits the conclusion that the size of the Russian Pacific fleet permits convoys to sail over the northern shipping route to the northern Siberian ports and to Archangel.

Group North, which was notified of these facts by the Naval Staff, requested information whether we may expect that such convoys will be stopped and searched by Japan, possibly on the basis of suspected contraband shipments to China or Great Britain, in which case routes and timetables should be ascertained. An inquiry to this effect by the Naval Staff was answered by the Naval Attache with the information that the Japanese Admiralty does not intend to stop the convoys, since this might easily lead to war which would be highly undesirable at this moment when all forces are otherwise tied up.

The Naval Staff sends this information to Group North on 28 Jul.

IV. In the course of discussions between the Naval Construction Division and the Naval Staff, Submarine Division about intensification of the activity of operational submarines, the actual labor requirements could not be completely clarified. The Naval Staff Submarine Division tried to settle the question by writing to the Chief, Naval Construction Division on 25 Jul. For copy see 1/Skl 18314/42 Gkdos. in War Diary, Part C, Vol. IV.

V. Regarding the transfer of the PT boats S "151" to "158" of the 7th PT Boat Flotilla to the Mediterranean, the Quartermaster Division, Naval Staff ordered that boats S "151" to "156" should start from Rotterdam on 10 Sep. and the remaining two should follow later. The route to be taken is identical with that used for the transfer of the 3rd PT Boat Flotilla.

VI. In view of the danger to which the submarines are exposed in the Bay of Biscay, the Chief, Naval Staff Communications Division suggested to the Commanding Admiral, Submarines that he assign a boat equipped with radar interception gear to the Bay of Biscay at once; this submarine should be used exclusively for this task.

Situation 28 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to intelligence reports, a British and American convoy of 37 ships with 25,000 troops for Egypt sailed from Port Rush for Gibraltar on 25 Jul. and will probably go through the Mediterranean. The convoy has a heavy escort composed of 1 aircraft carrier, 1 battleship, and several heavy cruisers.

It remains to be seen whether the British will actually dare to send a precious convoy like this one through the entire Mediterranean.

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A U.S. troop transport sailed from the U.S.A. on 21 or 22 Jul. and is en route to the British Isles.

As reported by the Naval Attache at Istanbul, the auxiliary carrier ARCHER has been assigned to duty in the Atlantic in addition to the ARGUS.

South Atlantic:

On board the captured steamer NANKIN we found a report from the Wellington communications center of the Allied forces, addressed to the Commander in Chief, Eastern Fleet, Colombe, covering the period up to 6 Apr. According to this, the auxiliary cruiser BULOLO, operating in the South Atlantic, is to be converted into an aircraft carrier.

Indian Ocean:

According to the same source, the following auxiliary cruisers are operating in the Indian Ocean: CANTON, CHITHIRE, CARTHAGE, QUEEN OF BERMUDA, RANPURA, and WORCESTERSHIRE. The CARTHAGE is to replace the ASCANIA at the New Zealand station.

It is reported from Istanbul that the harbor of Mohammerah has been enlarged and refitted as part of the Russian air program.

Pacific Ocean:

According to the above official Australian source, the following vessels are engaged in patrol duty in the Australian waters: ADELAIDE, WESTRALIA, KANIMBLA, and MANOORA. Assigned to escort duty between New Zealand and Australia are the ACHILLES, LEANDER, and MONOWAI. The Anzac squadron which includes the anti-aircraft vessel AUSTRALIA is protecting the operation of U.S. Task Force "13" in the New Hebrides area. The U.S. cruisers WHIPPLE and JOHN D. EDWARDS are assigned to this squadron. In addition, U.S. Task Forces "17", "11", and "8" are in the Australia-New Zealand area. The loss of the naval base in the Far East necessitates the use of depot and repair ships. Since the lack of tonnage does not permit the use of merchant vessels for these purposes, the conversion of auxiliary cruisers was ordered, probably in the spring of 1942. The AUSONIA, ALAUNIA, and ASCANIA are being converted into repair ships, the MONTCLARE into a submarine depot ship. The CIRCASSIA, CALIFORNIA, and DERBYSHIRE are once more joining the merchant fleet and will be replaced by new ships. In Canada, the PRINCE DAVID, PRINCE HENRY, and PRINCE ROBERT are in service as auxiliary cruisers, as heretofore. According to the same source, 4 ocean-going patrol ships have been reconverted into cargo vessels. It is probable that the PRETORIA CASTLE as well as the DUNNOTTAR CASTLE will be converted into auxiliary cruisers. One auxiliary cruiser sank at an unknown port due to a depth charge; sabotage is suspected.

Up to 6 Apr. the enemy had been without news about ship "10" for a long time. It was assumed that she might be in the vicinity of the Cape of Good Hope or near the Brazilian coast. The sinking of the Brazilian steamer CABEDELLO and of the U.S. steamer STEEL AGE was mentioned in connection with ship "10".

2. Own Situation:

Nothing to report.

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II. Situation West Area

1. Enemy Situation:

According to intelligence reports leaves were suspended in the British Isles as of 17 Jul. Norwegian residents of England doubt the possibility of large-scale landings before the nights grow longer and believe that the tonnage in readiness does not permit larger operations than raids.

At noon a convoy of 18 ships with 5 escort vessels was located by radio monitoring 800 miles west of Brest on a northerly course.

The report about the questioning of prisoners from the motor gunboat "328" sunk on 21 Jul. contains information about the activities of the Dover Division consisting of 4 vessels; this formation is assigned to attack German ships on patrol. The area patrolled ordinarily extends from Calais to Boulogne. The landmark most frequently used is the Gris Nez beacon. The new motor gunboats attain a speed of 30 to 32 knots. Their armament consists of 1 pom-pom gun at the bow, 1 twin machine-gun at starboard and 1 at port, aft of the bridge, 1 Rolls gun at the stern, 2 single-barreled Lewis machine-guns and 2 to 4 depth charges. Their complement consists of 3 officers, 3 or 4 stokers, 5 gunners, 1 radio operator, 1 signalman, 4 sailors and 1 cook. Apart from Dover, they are based at Newhaven, Gorport (Portsmouth), Yarmouth, and Harwich. Lowestoft is used mostly by mine sweepers.

2. Own Situation:

Channel Coast:

The patrol boats VP "202" and "203" were engaged between 0225 and 0240 by 2 enemy destroyers and 2 motor gunboats off Cherbourg. Patrol boat VP "202" was sunk; the captain survived, 25 men are missing. VP "203" lost the entire bridge personnel, the captain and the first watch officer included, by the first enemy salvo. The burning boat was brought to port but cannot be repaired.

On account of the moon-lit nights, our PT boats did not operate.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Air reconnaissance spotted 9 PT boats in the evening on an easterly course east of Lowestoft. Convoy operations without special incident. 1 submarine was sighted on a southerly course 150 miles north of the Faroe Islands.

Own Situation:

Another mine was swept off Egmond-aan-Zee, proving that this area which had been spared up to now is being mined intentionally. Another ground mine was swept at the Borkum Riffgrund.

Mine-sweeping operations had to be curtailed due to weather conditions.

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In the afternoon enemy planes dropped bombs on the Dutch coast and the north German coastal area as far as Luebeck. Our pursuit planes engaged the attackers without observed results.

Strong enemy air forces penetrated in the evening into the northwest German coastal area. The attack concentrated on Hamburg.

Naval Station, North Sea reports that the Commander in Chief, West reserves the right to decide about the destruction of vital harbors and submarine bases. (See Telegram 1740.)

2. Norway:

Enemy planes were active on the north and west coasts and in the Oslo area. At 0130 2 enemy flights made a futile torpedo attack on the ships with LODY and RIEDEL in tow off Nyhelle. The ships put into Kristiansand South temporarily and then continued southward.

3. Arctic Ocean:

Enemy Situation:

According to intelligence reports, a convoy which had already reached Greenland with troops for Murmansk turned back to Northern Ireland where the troops were disembarked, following the annihilation of convoy PQ 17.

This recurring report about troop shipments to Murmansk, the equipment of which had been transported on convoy PQ 17, does not sound very credible. Other intelligence reports, however, may be very much to the point; according to them the Norwegian troops stationed in Scotland have recently been concentrated in the Wick area and Mountbatten is preparing for a number of small-scale raids against the Norwegian coast.

Radio monitoring established that up to 5 ships were located between the southern entrance and the middle of Gorlo Strait in the evening and during the night of 27 Jul. Increasing radio communication was observed in the Archangel area.

Own Situation:

In connection with the operations of submarine U "601" off the west coast of Novaya Zemlya, Group North submits to the Admiral, Arctic Ocean a compilation of the anti-aircraft artillery emplacements, warships and merchant vessels in the waters of Matochkin Strait and Moller Bay, as reported since 17 Jul. (See Telegram 1546.)

Submarine U "601" reported destroying a 2-engine Consolidated plane on 27 Jul. and destroying the Karmakuly radio station on the same day, probably without the enemy's being able to send a message first.

Submarine U "209" rescued 8 survivors from the sunken steamer HONOMU of convoy PQ 17.

8 submarines, forming the "Nebelkoenig" group, will have assumed positions between Iceland and Jan Mayen by about 30 Jul.

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IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

A submarine was sighted again off Windau.

2. Own Situation:

Nothing to report from the area of the Commanding Admiral, Defenses, Baltic Sea. The order issued by the Commander, Mine Sweepers, Baltic Sea, according to which merchant vessels between Danzig Bay and point "Braun 60" were allowed to proceed only under escort was cancelled as of 25 Jul. Naval Station, Baltic Sea wishes to know whether this order, issued without notification of the Naval Station, is effective. (See Telegram 1712.)

Anti-submarine patrols, mine-sweeping and convoy activities in the area of the Commander, Mine Sweepers, Baltic Sea according to plan.

V. Merchant Shipping

Brief report No. 22/42 of the Naval Intelligence Division, Foreign Merchant Marine Branch deals with the following: Ore shipments from Lulea up to 4 Jul. 1942, curtailment of the construction of 7,000 GRT Liberty ships with a speed of 11 knots in favor of faster 2,000 to 4,000 GRT freighters, establishment of a British shipping office at Archangel, curtailment of British exports to South Africa, construction of concrete vessels in the U.S.A., etc.

VI. Submarine Warfare

1. Enemy Situation:

According to an intelligence report from Portugal, corvette "59" and 5 steamers identified by name, totalling approximately 12,000 GRT, which belonged to the convoy sailing from Gibraltar to the British Isles on 8 Jun., were sunk.

Radio monitoring revealed that the aircraft carrier ARGUS will sail from Greenock on the morning of 29 Jul.

1 British ship was observed 360 miles southwest of Vigo and another one in the vicinity of the Azores. A submarine warning signal was intercepted 180 miles south of Freetown.

A number of messages reporting the sighting of submarines were intercepted from the American East Coast and the West Indies.

2. Own Situation:

Submarine U "163" reported infrequent air and sea patrols in quadrants AF 48, AE 65, and AL 32 in the Iceland Passage. Submarine U "171" very probably sank a 4,500 GRT steamer in the Gulf of Mexico.

Submarine U "564" was instructed to report whether the 2 battleships sighted were positively identified as of the RAMILLIES class or whether

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they might have been the NELSON and RODNEY.

The "Greenland" circuit will henceforth be known as "America" circuit, effective 31 Jul. at 1000.

Submarine U "157" is considered missing as of 16 Jun., U "701" as of 11 Jul., and U "751" as of 18 Jul.

Additional reports in Supplement to Submarine Situation, War Diary, Part B, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

For details referring to the German air raid on Birmingham during the night of 28 Jul. see daily situation report. Interesting is the low altitude of 900 m from which this attack was made.

East of the Faroe Islands one patrol vessel was sunk during the day and 1 trawler strafed.

2 patrol boats were damaged off Eastbourne. During the night of 28 Jul 11 planes flying singly executed nuisance raids on armament plants in southern and central England.

During the same night strong formations of enemy planes raided the northwest German coastal area, concentrating their attack on Hamburg. Preliminary reports indicate 16 enemy planes shot down by anti-aircraft artillery and 20 by fighter planes.

2. Mediterranean Theater:

Raids on Malta continued. The superiority of the enemy fighters makes itself felt very badly in daytime. 3 Ju 88's were lost on 28 Jul. The forces of the X Air Corps attacked the roadstead of Suez in 2 waves. 1000 kg BM bombs were dropped between the ships without scoring a direct hit.

In support of the Panzer Army, North Africa our Air Force raided enemy tanks concentrated for an attack.

3. Eastern Front:

1362 sorties were flown in support of the advancing armies and 40 enemy planes shot down.

Special Item:

In complying with a suggestion of the Naval Staff, the Commander in Chief, Air Force instructed the 3rd Air Force to extend reconnaissance flights to the harbors of the Bristol Channel, the Irish Sea and the North Channel. See Telegram 1135.

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VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

In the forenoon the CHARYBDIS left dock at Gibraltar. The French torpedo boat FOUQUEUX picked up the steamer MITIDJA which had been captured by a British submarine. The latter submerged when the torpedo boat came in sight. A destroyer arriving subsequently from Gibraltar did not interfere. After dark the MITIDJA continued on her run to Marseille. The Italian reported sighting or locating submarines west of Navarino, northeast of Brindisi, off Otranto and off Trieste.

Only moderate convoy traffic was observed in the eastern Mediterranean off the Palestine coast.

2. Own Situation, Mediterranean:

During an enemy air raid on Tobruk in the night of 26 Jul., 1 Italian motor mine sweeper was sunk and 1 Italian subchaser damaged. During the night of 27 Jul. another air raid resulted in the sinking of motor ship GABRIELA with 110 tons of cargo assigned to the air forces. One barge was damaged by bomb fragments.

The 6th Motor Mine Sweeper Flotilla is scheduled to transfer to Tobruk on 1 Aug.

3. Transport of Supplies to North Africa:

The motor ship GIULIA arrived at Tripoli on 27 Jul. 5 German naval barges en route from Palermo to Tripoli put into Lampedusa for the day. The motor ship MONVISO, escorted by 2 destroyers, sailed from Brindisi for Benghazi on 27 Jul. At noon of 28 Jul. she was attacked by enemy planes 15 miles south of Navarino; damaged by a bomb hit, she was towed into Navarino.

On 29 Jul. the LERICI convoy will sail under escort of 2 torpedo boats from Benghazi to Brindisi with 3,500 war prisoners.

8 Italian naval barges are scheduled to sail for Tobruk at midnight of 28 Jul.

1 auxiliary sailing vessel and 2 naval barges engaged in coastal supply shipping arrived at Tobruk on 27 Jul. and 3 naval barges departed from there. Steamer SICILIA sailed from Benghazi to Tobruk on 27 Jul. and is expected to arrive in the morning of 29 Jul. Steamer OSTIA has been en route to Tobruk from Marsa Matruh since 27 Jul. 3 naval barges arrived at Marsa Matruh.

3 naval barges proceeding from Sollum to Marsa Matruh have not been seen since noon of 28 Jul. 2 PT boats were dispatched in the evening to search for them.

1,455 tons were unloaded at Tobruk on 27 Jul. and 1,682 tons on 28 Jul.

4. Area Naval Group South:

Aegean Sea:

4 German and 8 Italian naval barges left Piraeus for Suda on 28 Jul.

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Black Sea:

Nothing to report.

Special Items:

a. Naval Group South reports that the landing barges assigned to supply service in the Sea of Azov will be able to attempt the breakthrough of the Kerch Strait early in August. The following steps will be taken to ensure their slipping through undetected:

Enemy air reconnaissance must be kept off during the daytime voyage from Feodosiya till nightfall.

Diversions operations will be undertaken on Taman Peninsula and engine noises drowned out by planes operating over Taman Peninsula during the night.

Smoke-laying planes will operate over the northern part of the strait, where the force will be most exposed to the enemy's artillery due to navigational difficulties and the fact that the column is about 2,000 m. long.

Our guns will engage the enemy's coastal batteries and will use smoke shells in the northern part of the strait.

It will be attempted to slip about 12 naval barges with adequate escort forces through the strait during the first breakthrough. The Group requests that the Armed Forces High Command be asked for adequate assistance by the Air Force; if this cannot be provided, the operation will have to be postponed in case the enemy situation remains as it is. (See Telegram 1250.) This matter will be taken up directly by the Naval Liaison Officer to the Army High Command.

b. Group South reports about the progress of the laying of telegraphic lines, between Bucharest and Nikolayev and points out that the entire staff of the Commanding Admiral, Black Sea cannot be transferred to Nikolayev until the connections have been tried out and proved satisfactory. See Telegram 1340.

c. The Naval Staff asks the Naval Attache at Rome and the Italian Admiral with the German Naval Staff to find out from the Italian Naval High Command whether the Italian Navy agrees to the transfer of the Italian naval forces now engaged in the Black Sea to the Caspian Sea including the small-type submarines, if the situation should so require. See 1/Skl 18493/42 Gkdos. in War Diary, Part C, Vol. XIVa.

IX. Situation East Asia

A belated report of 26 Jul. states that a Japanese submarine shelled a British steamer 190 miles south of Sydney.

A Portuguese troop transport was stopped by a Japanese submarine in the Mozambique Strait.

Reuter and the Vichy Telegraph Service report about fighting in south China between Japanese and Chinese forces, in which the latter scored some success.

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X. Army Situation

1. Russian Front:

Army Group A:

The enemy is withdrawing from Kagalnitsk in a southerly direction. German forces advancing from the Rostov area reached the Kagalnik River on a broad front and established several bridgeheads against weak enemy resistance. Units advancing southward from the Melchovsk area crossed the Manych River at several points and are closing in on Protsikov. Tank units advancing from the Orlovka bridgehead threw the enemy back about 30 km north-northwest of Proletarskaya. Enemy attacks in the Marinovsk-Tsymliansk area were repulsed.

Army Group B:

Minor enemy attacks west and northwest of Kalach were repulsed. A further advance depends on the receipt of fuel and ammunition. The enemy is reinforcing north of Voronezh and southeast of Yelets. Attacks at both places were repulsed.

Central Army Group:

East of Velizh we advanced our positions to the northeast.

Northern Army Group:

A strong attack southwest of Leningrad was repulsed, the enemy suffering heavy losses.

2. Finnish Front:

Local enemy thrusts on the isthmus were repulsed. On the northeastern sector enemy partisan activities in the area back of Kestenga and Alakurtti were suppressed; this required the use of considerable forces.

3. North Africa:

Reconnaissance and artillery activity along the entire front.

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Items of Political Importance

The Problem of a Second European Front:

The Swedish Foreign Office does not expect any operation against northern Norway or Finland during the northern summer. This opinion would have to be revised only if Russia should force the Allies to keep the Arctic supply route open by all means.

Vernon Bartlett declared Great Britain's position desperate. Should an invasion of Europe prove impossible, the nation would have to suffer a long-drawn-out war of attrition.

In this connection it is interesting to see the determined attitude of British left-wingers in favor of vigorous aid to Russia; these circles threaten to force the establishment of a second front by means of strikes and they intimate that Churchill's capitalistic government is purposely refraining from an offensive in western Europe in order to cause the collapse of the Soviet regime.

Discussions in the press reflect the wide range of arguments for and against the establishment of a second front; however, the dominating voices are those of the influential British and American papers which play up the arguments against the plan. Great importance is given to the conditions supposedly necessary in order to fulfill the pledge given to Molotov, namely:

- a. The availability of sufficient shipping space.
- b. The weakening of Germany by mass air raids.
- c. The establishment of Allied air superiority.
- d. The certainty that the operations on the second front would not be affected by the tie-up of forces at other war theaters.

The risk involved in an operation not adequately prepared is also presented as an excuse.

There can be no doubt that the opposition will gladly take advantage of the display of power which Germany is purposely making in the west area as a new argument against a second front.

For a more extensive account of these typically British arguments see Political Review No. 175, paragraph 1.

The Shipping Situation of the Enemy Powers:

Fortune magazine, published in the U.S.A., believes that it is no longer possible to solve the problem of sufficient shipping space. Without sufficient ships, however, American war production is an effort made in a vacuum. Twice as many ships are needed than are available. Even if demands are cut to the barest minimum, 20% more cargo space is needed than can possibly be made available. Even the shipbuilding program cannot change the situation appreciably. In April alone 4 times as many ships were sunk than were built.

Great Britain:

The Minister of Agriculture addressed another appeal to the farmers for increased output of agricultural products in view of the shipping situation.

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India:

Political Review No. 175, paragraph 3 contains details of Cripps' radio address to the U.S.A. about the necessity of preserving India as a base for the war with Japan and the reply of the President of the Indian Congress.

Chile:

The Chilean Ambassador, upon his return to Washington, declared that Chile is sincerely cooperating with the U.S.A. in the Pan-American Defense program. Chile will honor her obligations undertaken at the Havana Conference to the fullest extent. Chile is "non-belligerent" but not neutral.

The conference on the situation with the Chief, Naval Staff does not take place due to his absence from Berlin on an inspection trip to Muerwik.

Special Items

I. In view of the maneuvers which will probably be held in September after reconditioning of the SCHARNHORST and the NUERNBERG and their subsequent transfer to Norway, the Fleet Commander intends to go to Germany for August; there he will look after the activities of the training unit and the PT boats and then take a short leave.

The Commander in Chief, Navy orders that, in view of the relief of Admiral Schmundt, the Fleet Commander is to arrange that the duties of the Admiral, Arctic Ocean be taken over either by himself or by the Commanding Admiral, Cruisers until the newly-appointed Admiral, Arctic Ocean is able to assume his post. Should the Commanding Admiral, Cruisers be designated as substitute, the Fleet Commander would have to embark on the TIRPITZ.

II. The Naval Ordnance Division, War Economy Branch in consultation with the Chiefs, Naval Ordnance Division, Naval Construction Division, General Administration Bureau, Naval Quartermaster Division and Naval Submarine Division prepared the materials for a report to the Fuehrer by the Permanent Representative of the Commander in Chief, Navy at the Fuehrer Headquarters about the special measures to provide labor for the immediately needed warship repairs, conversions and new constructions.

For copy see 1/Skl 18401/42 Gkdos. in War Diary, Part B, Vol. V.

III. The recurring enemy discussions during the last months about the use of poison gas require a check of our preparations for gas protection and anti-gas defenses.

The Quartermaster Division, Naval Staff therefore issued a directive to all branches of the Navy and pointed to the possibility that the enemy may initiate gas warfare at a moment considered propitious when he feels that his military strength is exhausted.

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IV. For the directive to restrict the use of planes for courier purposes on account of the fuel scarcity see 1/Skl I Lc 25400/42 gen. in War Diary, Part B, Vol. V.

Situation 29 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

Indian Ocean:

The British steamer BLACKHEATH sent a QQQ signal from the Gulf of Bengal (80 miles east of Masalapatam) reporting an attack.

Pacific Ocean:

An American tanker passed Punta Arenas on 23 Jul. and a British tanker on 24 Jul., both in the direction of the Pacific.

2. Own Situation:

For additional instructions to ship "28" regarding the captured DS code of which the Naval Staff intends to have copies picked up from the SCHLIEMANN by several of the next blockade runners sailing from Japan see Radiograms 0153 and 0401.

Ships "28" and "23" are instructed by Radiogram 2012 that no submarine operations are planned for the Gulf of Guinea at the time being.

Ship "23" is asked whether the order for 2 ship-borne planes of the Arado 196 type stands despite the fact that such a plane weighs 3.5 tons, while the ship's derrick can lift only 2 tons. See Radiogram 1658.

The Naval Staff intends to keep ship "10" in the zone of operations. The Naval Attache at Tokyo is instructed to ship the equipment required by ship "10" and also a prize crew on the TANNENFELS, if still possible without unduly delaying the TANNENFELS. (See Radiogram 1805.)

Information about the enemy situation to all ships in foreign waters is sent by Radiograms 0748 (concerning secret call signal BNDT of the captured HERBORG), 0502, 0615, 1356, and 2241.

II. Situation West Area

1. Enemy Situation:

The British steamer LIVLAND (2,254 GRT) broke down on 28 Jul. at 2300 at buoy 54D; 2 ships were ordered to her assistance. Reports of 2 more emergencies at sea were intercepted on 28 Jul. at 1533 and on 29 Jul. at 0635.

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Reconnaissance planes sighted approximately 35 steamers on a westerly course south of Portland and 3 ships, probably cruisers, 10 to 15 steamers, several patrol boats and mine sweepers (altogether about 35 to 40 vessels) on an easterly course off Shoreham.

2. Own Situation:

Atlantic Coast:

2 ground mines were swept off Lorient by mine-exploding vessels, a third one by a mine-sweeping plane and still another one in the Gironde estuary by mine sweepers.

Channel Coast:

Mine sweepers cut 2 Mark III mines off Cape Ferret on route "Herz".

The 4th Motor Mine Sweeper Flotilla was strafed and attacked with fragmentation bombs by enemy planes at 0125 west of Calais; motor mine sweeper R "50" suffered slight damage.

During the night of 28 Jul. enemy fighter planes made a futile attack on the 36th Mine Sweeper Flotilla.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Little air activity over the northern North Sea. 15 steamers escorted by 7 patrol vessels on a northerly course were observed off the Humber mouth. 6 mine sweepers proceeding on a southerly course were sighted off Orfordness.

Own Situation:

A third mine was swept off Egmond-aan-Zee by the 17th Mine Sweeper Flotilla. 4 more mines were swept by mine-exploding vessels and another one in the area of Terschelling and Vlieland by the Harbor Patrol Flotilla. 3 vessels of the 13th Patrol Boat Flotilla had an engagement with 10 enemy motor gunboats on route "Rot" between points "8" and "Herz 202" during the night of 28 Jul.; 4 motor gunboats were sunk and a fifth one set afire.

During the same night naval anti-aircraft artillery in the coastal area of the German Bight accounted for 10 and on the Dutch coast for 2 enemy planes shot down. A low-flying plane was shot down over the Elbe River by a mine sweeper.

The raid on Hamburg caused no damage to the shipyards.

Mine-sweeping, convoy, and patrol activities proceeded according to plan without major incident.

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2. Norway and Arctic Ocean:

Enemy Situation:

Radio monitoring revealed that British radio messages are being transmitted since 27 Jul. by the staff of the Russian Arctic Fleet to unidentified Russian commands.

Own Situation:

Enemy air activity on 27, 28, and 29 Jul. ranged over the Arctic coast and the northern and western coasts. Raids by 2 Russian planes off Havningberg caused minor damage on 2 German motor mine sweepers. Army Coastal Battery 3/288 in Homsdal Fjord will be out of commission for a few days.

Group North has no objection to the withdrawal of the 6th PT Boat Flotilla, since its usefulness for offensive missions is limited and an enemy landing is no longer expected. The Group requests, however, that the return of the flotilla be considered if operation "Wiesengrund" is carried out; that the tender not be withdrawn prior to the arrival in the Arctic area of another radio transmitter station; and finally that the 6th PT Boat Flotilla be assigned to the Gulf of Finland if the situation there should further deteriorate.

The Naval Staff decided on 28 Jul. to transfer the 6th PT Boat Flotilla from the Norwegian area to Germany, and will make a decision concerning its next assignment in due course. It is planned to assign the flotilla to the west area. Its tender will remain at Kirkenes until a replacement for the radio station is available there. The Naval Staff Quartermaster Division and the Naval Communications Division are investigating whether the completion of the land radio station can be speeded or whether the assignment of another vessel for this purpose is possible.

Nothing to report from the Arctic Ocean.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Nothing to report.

2. Own Situation:

The RIEDEL and LODY have reached the Baltic Sea in tow.

For report about the bomb damage in Schleswig-Holstein during the night of 28 Jul. see Telegram 2325.

Convoy and transport services according to plan.

Nothing to report from the area of the Commander, Mine Sweepers, Baltic Sea.

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V. Merchant Shipping

On 25 Jul. the Naval Staff called the attention of the Reich Commissioner of Maritime Shipping to the fact that the relief granted to German shipping by revoking the convoy regulations and the change of regulations for sailing within Swedish territorial waters is of little practical value, because Swedish ore shipments are carried by Swedish vessels for the most part.

It is thus left to the discretion of the Reich Commissioner of Maritime Shipping whether Sweden should be asked to take the same steps.

VI. Submarine Warfare

1. Enemy Situation:

Lively reconnaissance activity in the rendezvous area. A plane circling over a submerged submarine was located at 1725 in a position 62° 42' N (the longitude was not identified). The British subchaser IMPERIALIST was located at 0850 40 miles west of Cape St. Vincent, another British ship 150 miles north of the Azores at 0630. The British steamer SUFFOLK (11,145 GRT) flashed a QQQ signal at 2212 but revoked it 2 minutes later.

Southwest of the Bermuda Islands a message of a submarine attack was broadcast. Trinidad was notified on 27 Jul. that the U.S. tanker WEST CELINA (6,187 GRT) was doing better than 7.5 knots and was returning to Trinidad unescorted. In the same message the British steamer DALHANNA (5,571 GRT) was mentioned in connection with convoy PAB IX.

2. Own Situation:

At 2317 submarine U "210" established contact with a convoy of 15 steamers, sailing on a westerly course, in quadrant AK 59. 5 more submarines are operating against this convoy.

Group "Wolf" is ordered to replenish supplies and to continue operations against convoys from quadrant BC 34.

Submarine U "132" intercepted a convoy of 25 vessels off the American East Coast in quadrant BB 87, sailing in a general westerly direction, and with her last 2 torpedoes scored 2 hits on an 8,000 GRT steamer.

Submarine U "89" sank a Canadian trawler in the West Indies on 25 Jul. On 26 Jul., while attacking another trawler, she was driven off by an intervening plane; it was established beyond doubt that the submarine had been detected by underwater detection.

On 22 Jul. submarine U "505" sank the Colombian sailing vessel ROMA which did not heed a warning shot.

The Commanding Admiral, Submarines correctly remarks that the gain from this sinking is out of proportion with its potential political implications.

Submarine U "160" sank a 12,000 GRT steamer in the Orinoco estuary.

No successes were reported from the submarines in the South Atlantic and the Mediterranean.

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Upon inquiry by the Naval Staff (see War Diary of 24 Jul.), the Commanding Admiral, Submarines replied that he is not planning to operate submarines in the Gulf of Guinea, as suggested by ship "28"; however, the submarines U "68", "156", "172", "504", and "459" are sailing from western France on 18 Aug. for a concerted surprise operation off Capetown where they are expected to arrive by the end of September. The Commanding Admiral, Submarines requested freedom of action in the South Atlantic east of longitude 15° W in addition to the areas already assigned.

The Naval Staff asked that detailed operational orders referring to this assignment be submitted and will define the limits of the zone of operations in the South Atlantic at the proper time.

VII. Aerial Warfare

1. British Isles and Vicinity:

Daylight raids were staged on a number of localities and airfields in southern England. A heavy night raid was made on Birmingham.

Out of a total of 80 enemy incursions 30 penetrated into German, the rest into occupied territory. Night fighters shot down 6 of the attackers. The raids concentrated on Saarbruecken, where considerable damage was inflicted on industrial and traffic installations. For details see daily situation report.

2. Mediterranean Theater:

No planes were active at the African front.

3. Eastern Front:

Since 21 Jul. the Volga River near Stalingrad has been mined continually. None of the mines were observed to explode on account of the low water level as had been feared.

In connection with future Army operations, the Navy Liaison Officer at the Air Force Operations Staff has called attention to the importance of having the Air Force attack Batum, the main commercial port, Poti, the principal fleet base and the submarine base at Ochamchiri; he strongly recommended that aerial mines be laid in these 3 harbors.

German fighters are shooting down a large number of the many enemy planes at the 6th Army front. It seems that the training and the quality of the Russian flyers has greatly deteriorated.

Special Items:

In a conference with the Inspector at the Air Force General attached to the Commander in Chief, Navy about the development of new ship planes, it has been agreed to abandon construction of the planned series of Arado 196C planes. Furthermore, for reasons of weight series A5 or any future series cannot be equipped as planned with one machine-gun type 151 in the fuselage and 2 machine-guns type 17 in the wings.

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Development of a 6 ton ship-borne hydroplane with BMW engine model 601 (Bavarian Engine Works) is abandoned, because the Naval Staff believes that the Navy does not need such a plane.

In order to comply with the Naval Staff's demand, it is thus necessary to begin immediately with the development of a substitute for the model 198 plane to be used as a ship-borne reconnaissance plane.

I. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

Nothing to report.

2. Own Situation, Mediterranean:

During an enemy air raid on Tobruk in the night of 28 July the Greek motor ship NICOLAUS, an Italian magnetic mine sweeper, and an Italian naval barge were struck by bombs and sank. In the same night an Italian hospital ship en route from Derna to Tobruk was unsuccessfully attacked by planes. An enemy submarine attacked an Italian steamer unsuccessfully with torpedoes on 28 Jul. between Bari and Valona. Meanwhile a report was received about the 3 naval barges missing since noon of 28 Jul. between Sollum and Marsa Matruh. The 3 barges were attacked at 0645 by 2 enemy planes 20 miles southwest of Sidi Barrani. Barge "348" was hit and caught fire, had to be beached and burned out. During a second attack at 1230 by gunfire and demolition bombs 5 miles southwest of Sidi Barrani, one of the attackers was shot down and the crew captured; another plane was probably shot down. Barge "351" was damaged by gunfire and had to be beached; she can be salvaged. Barge "349" returned to Bardia undamaged.

Submarine operations in the western Mediterranean: The Naval Staff's views on this matter as contained in the report to the Chief, Naval Staff (see War Diary of 28 Jul.) are transmitted to the German Naval Command, Italy with copy to the Commander, Submarines, Italy. While agreeing with the viewpoint of the Naval Command about the fact that submarine operations should be concentrated in the eastern Mediterranean at the present time, the Naval Staff points out that any success achieved against enemy forces operating in the interest of reinforcing Malta has an immediate bearing on the situation in the eastern Mediterranean, since our supply shipments to North Africa are increasingly threatened by Malta-based enemy forces.

The Naval Staff therefore orders that up to 3 submarines that become ready for operations, over and above the 4 planned for that area, be used in the near future in the western Mediterranean. Due to the difficulties encountered by submarines in the waters west of longitude 20° E, the boats are to operate approximately along the line running from Iviza to Algiers. It is desirable that German and Italian submarines operate jointly; the Italians should primarily take charge of reconnaissance, upon which the German boats would then base their operations. The German Naval Command, Italy is requested to submit its plans.

3. Transport of Supplies to North Africa:

5 German naval barges arrived at Tripoli from Palermo on the

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evening of 28 Jul.

The motor ship NONVISO was damaged on 28 Jul. by an aerial torpedo not by bomb hits as previously reported.

Departure of the steamer ARGENTEA from Corinth to Benghazi was postponed to 1 Aug. Other transports and coastal supply shipping proceeded according to plan with no major incident reported.

4. Area Naval Group South:

Aegean Sea:

Due to interruption in communications, no reports have been received.

Black Sea:

Enemy Situation:

Radio monitoring located only light vessels and a few submarines in the eastern Black Sea.

Own Situation:

An enemy air raid on Kerch on 28 Jul. destroyed part of Naval Field Hospital I. The chief medical officer was killed.

Mine-sweeping proceeded uneventfully. Convoy operations on schedule.

Special Items:

a. The Naval Liaison Officer with the Army General Staff submitted a request of the Quartermaster General that transports from the Rumanian Black Sea ports should be directed to Sevastopol as soon as possible in order to facilitate the supply of the operating forces and in order to assemble stocks of winter supplies well ahead of time. Thereafter as soon as it becomes possible, the transports should sail exclusively to Rostov. Following the capture of Novorossisk it will become necessary that a few ships call at this harbor, too. Akhtarsk should be considered as alternate port. The Quartermaster General requests moreover that all naval barges available in the Black Sea be transferred as soon as possible to the Sea of Azov, where supplies will have to be shipped from Mariupol to Azov. It is also requested that an additional 20 to 30 barges for the supply traffic in the Black Sea be made available.

For copy of the corresponding telegram see 1/Sk1 18502/42 Gkdos. in War Diary, Part C, Vol. XIVa.

This matter is referred to the Shipping and Transport Branch of the Naval Staff Quartermaster Division and Naval Group South.

b. Group South proposed the transfer of 4 training companies of the naval anti-aircraft gunnery school to the Crimea during the decisive stage of the Black Sea operations, because neither the Army nor the Air Force have troops available; this proposition is turned down by the Naval Staff Quartermaster Division, Fleet Branch, Air Defense Section, because anti-aircraft protection must be furnished by the Air Force.

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The Naval Liaison Officer on the Air Force Operations Staff is notified of the above.

c. The Commanding Admiral, Group South orders all subordinate commanders and departments to postpone all leaves for 10 to 12 weeks, in view of the all-important tasks in connection with the imminent decisive operations in the Black Sea. See Telegram 1245.

d. The Chief, Naval Staff Operations Division directs the Naval Staff Quartermaster Division, Fleet Branch to assist Naval Group South in preparing the transfer of motorboats suitable for towing and equipped with mine-sweeping gear from the Sea of Azov to the Caspian Sea; and requests that the Armed Forces High Command be asked to allocate 25 landing boats and 12 Siebel ferries for use in the Caspian Sea. The Naval Staff Quartermaster Division, Fleet Branch is also informed of the Naval Staff's request to the Italian Navy that they permit the Italian naval forces now in the Black Sea to be used in the Caspian Sea; see 1/Skl I op 18496/42 Gkdos. in War Diary, Part C, Vol. XIVa.

The Naval Staff Quartermaster Division, Plans and Schedules Branch is directed to prepare Makhachkala as a base for the naval forces in the Caspian Sea. See 1/Skl I op 18495/42 Gkdos. in War Diary, Part C, Vol. XIVa.

e. According to recent information, oil was shipped on the Caspian Sea in peacetime exclusively from Baku; the bulk went to Krasnovodsk, with Makhachkala and Astrakhan next in line. Only small quantities went to Guryev. After Volga traffic is cut off at Stalin-grad, oil may still be shipped by rail via Astrakhan to Saratov. (Limited capacity.) If Baku, too, is eliminated, the routes from the Persian ports of Pahlevi and Bandar Shah to Krasnovodsk remain the only ones of importance. The Chief, Naval Staff Operations Division informs Naval Group South and the Commanding Admiral, Black Sea of the above. The Naval Staff Quartermaster Division was notified directly by the Chief, Naval Staff Intelligence Division.

f. The proposal of Naval Group South regarding reorganization of the Black Sea area is accepted by the Naval Staff Quartermaster Division by order of 29 Jul. in agreement with the Chief, Naval Staff Operations Division. Thus, the Rumanian naval forces are under the direct administrative command of the Rumanian High Command, but under the operational command of the Commanding Admiral, Black Sea. The authority of the Commander, Naval Training Detachment remains as heretofore. The Commanding Admiral, Black Sea puts the Commanding Admiral, Rumanian Naval Forces in charge of naval supply shipments from Rumanian ports to Nikolayev. The Commanding Admiral, Black Sea will directly dispose over naval combat forces if the necessity arises.

For the time being, Rumanian coastal defense remains in Rumanian hands. Subject to approval by the Armed Forces High Command, battery "Breslau" will be transferred to Rumania. Battery "Tirpitz" will be transferred to the Crimea after the Army High Command has given consent.

The Shipyard Control Staff and the entire staff of the Commanding Admiral, Black Sea will transfer to Nikolayev. The Naval Liaison Staff, Rumania remains at Bucharest; it is subordinated to Naval Group South and represents the liaison of the latter and the Commanding Admiral, Black Sea with Rumania. The Chief of the Liaison Staff, Rumania will be in charge of all German naval forces operating in Rumania and Bulgaria.

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Situation Turkey:

As reported by the Naval Attache at Istanbul, the Turkish Navy has located mines at the spot where submarine ATTILA sank at the entrance of the Dardanelles. Group South reports in this connection that there are German anti-submarine barrages outside Turkish territorial waters in the approaches to the Dardanelles. Further developments must be awaited.

IX. Situation East Asia

Nothing to report.

X. Army Situation

1. Russian Front:

Army Group A:

Advancing south of the Don River, our troops reached the railroad from Krasnograd to Stalingrad north and south of Proletarsk and blew it up at several points.

Army Group B:

The western bank of the Don River south of Chir was cleared of isolated enemy units. An enemy column attacking north of Chirskaya was destroyed. Motorized forces and tanks are engaged in battle with approximately 100 enemy tanks west of Kalach. North of Kalach 40 enemy tanks succeeded in breaking through from the west to the rear of our lines and captured the field headquarters of the XIV Panzer Corps. Enemy attacks on Voronezh were repulsed. Strong enemy troop concentrations were observed south of Yelets.

Central Army Group:

German forces advanced east of Velizh and reached the lake chain near Chepli.

Northern Army Group:

Nothing to report.

2. Finnish Front:

Nothing to report.

3. North Africa:

Normal reconnaissance and artillery activity along the entire front. Enemy air activity was light.

Enemy forces in the coastal sector were reinforced by units of the 1st Armored Division transferred from the central sector and by newly arrived heavy artillery. In addition, 1 Australian, 1 South African and

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1 British Infantry Division are concentrated in the area. The Panzer Army, North Africa reports that a total of 2,514 enemy tanks, armored scout cars, and other armored vehicles were destroyed or captured during the period from 26 May to 25 Jul.

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Items of Political Importance

The Problem of a Second European Front: This problem continues to be discussed at great length, but no new arguments have been introduced.

For details see Political Review No. 176, paragraph 1.

France:

Vichy's new Ambassador at Ankara, Bergery, reports that Laval's condition following the attempt on his life is still unsatisfactory.

Great Britain:

Violent differences of opinion occurred in the House of Commons during the debate about the Government's new pension bill. 1,500 Communists who had gained admission to the House of Commons staged a demonstration demanding that the ban on the Daily Worker be lifted.

India:

Opposition against Gandhi's disobedience campaign was announced by the leaders of 90,000,000 Moslems and by the Christian Hindus, the Indian Liberal Federation, a great number of Untouchable groups and hundreds of thousands of Indian civil servants.

Finland:

The Finnish News Agency denies rumors according to which Finland is willing to get out of the war with American aid.

U.S.A.:

Under the heading "Russia and China fighting back to back" the American Life magazine writes that these two nations are in the center of the deadly struggle, while Britain and the U.S.A. are fighting only at the sidelines. Russia is in danger of losing her two principal supply routes, and China's resistance is being overcome slowly but surely. The U.S.A. has no prospects of disrupting or eliminating the Japanese lines of communication in Asia and the southwestern Pacific.

Conference on the Situation with the Chief, Naval Staff

I. The Naval Staff Quartermaster Division reports that repairs on the GALSTER will take at least until 25 Sep., those on the RIEDEL 3 months and those on the LODY at least 6 months. The crew of the LODY is transferred to torpedo boat T "24".

The fact that these 3 destroyers ran aground thus has very disagreeable consequences which are of a very serious nature considering the small number of destroyers available.

II. The Chief, Naval Communications Division reports that captured documents revealed that the British are in possession of regular operational orders of the Commanding Admiral, Submarines. Judging from the dates of the covering letters, they were probably captured with submarine U "110".

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III. According to preliminary information received from the Permanent Representative of the Commander in Chief, Navy at Fuehrer Headquarters, the report concerning the required increased allocation of shipyard workers resulted in complete fulfillment of the Navy's demands. The Chief of the Quartermaster Division, Naval Staff is going to make a full report about this subject on 31 Jul.

IV. The Commanding Admiral, German Naval Command, Italy commented extensively on the case of Lt. Commander Oehrn. Nevertheless, the Commander in Chief, Navy upholds his rebuke.

In a Very Restricted Circle:

V. The Chief, Operations Branch, Naval Staff Operations Division reports that complying with the Naval Staff's directive (see War Diary of 22 Jul.), Group North reported its plans for mining operations as follows:

a. The northern passage of Novaya Zemlya is to be mined with about 260 EMF mines by the mine-laying vessel ULM as was done during the auxiliary cruiser operation. If necessary, the ULM may wait for favorable weather conditions in the Franz Josef Land area. The area Narvik-Harstad would serve as jumping-off base. The operation is to be carried out by the end of August. The cruiser operation in the Kara Sea will have to be carried out before the mines are laid and cannot be repeated later on.

b. At the western approach to Yugor Strait 20 to 30 TMB mines will be laid by a type VII submarine immediately after the mines arrive in the north area.

c. Both approaches to Pechora Bay will be mined with TMB mines by a type VII submarine after receipt of mines.

d. The western approaches to Matochkin Strait will be mined with TMC mines by a type VII submarine; subsequently quadrant AT 4610 will be mined by the HIPPER and 2 destroyers with 120 to 140 EMF mines and the same number of EMC mines in the latter part of August.

e. Destroyers will mine the areas north and south of Kolguyev Island and the lower 2/3's of quadrant AW 2200 with a large number of EMF and EMC mines and cutter floats; some mines will also be laid in the lower 2/3's of quadrant AW 2300. Russian minefields are suspected in quadrant AW 2600, because sailing instructions directed convoy PQ 17 to proceed close to the coast of Kola Peninsula after Svyatoi Nos. The mines will be laid in the second part of August.

f. Kara Strait and the entrance to the White Sea will be mined with SMA mines, following their release for operational use.

g. The request to have Dvina Bay and Onega Bay extensively mined by the Air Force is renewed.

The Naval Staff agrees with these plans as such. It must be remarked, however, that the HIPPER is not equipped as a mine carrier (deck too high), and should better be replaced by the KOELN.

For the mining of the northern passage, mines with timing devices should be used exclusively because the mines should be spread widely over the area in order to produce best results, and without such devices future German operations would be impossible.

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Group North was instructed accordingly and received orders to make the final requisition of mines with due consideration for the type of detonators best suited to the existing local magnetic conditions after consultation with the Mining and Barrage Inspectorate; the Group is also to make sure whether mines with timing devices can be made available in time. The final decision on the matter will depend on the result of these investigations.

The Chief, Naval Staff agrees.

VI. The Chief, Operations Branch, Naval Staff Operations Division further reports on the account rendered by the Naval Liaison Officer at the Army High Command to the Chief of Staff, Naval Staff on 26 Jul. about the situation at the Russian front. The Army General Staff considers the beginning of supply operations by way of the Sea of Azov as of decisive importance for the continuation of the current operations; this refers particularly to the route from Taganrog to Rostov and up the Don River to Tsymliansk. The Army has already made all preparations for the Don shipping. The Naval Liaison Officer suggests examining the possibilities to transfer tugboats to the Sea of Azov in addition to naval barges, in order to utilize better the available lighters.

The offensive against Leningrad is contemplated for the early part of September. Contrary to previous orders, it is now intended to invade the city proper. The demand contained in the report that the shipyards be spared from destruction so that they could be utilized for our purposes was already taken care of by the Naval Staff Quartermaster Division. Kronstadt is to be dealt with depending on the strength of the Russian resistance, possibly later over the ice.

The analysis of the situation by the Naval Staff Operations Division with regard to enemy landings in the west conforms fully to the viewpoint of the Army General Staff, particularly as regards the contention that the British will operate primarily to further their own interests by eliminating the submarine bases. The British have already succeeded to some extent in establishing a second front by forcing us to transfer 4 tank divisions and 1 infantry division to the west.

With respect to North Africa, it is assumed that Rommel will have to remain on the defensive for approximately another 4 weeks. The goal there remains as heretofore, the capture of Alexandria.

The Army General Staff is afraid that the Japanese might attack Russia; this would not conform to the over-all plans since it would tie up Japan's forces in the north and either weaken her defensive strength in the south or preclude any offensive operations there. We are not informed about Japan's real plans, neither is the Fuehrer. For copy of the report see l/Skl 1455/42 Gkdos. Chfs. in War Diary, File "Barbarossa".

Special Items

I. For information about shipyard overhaul of TIRPITZ and HIPPER during the winter 1942-43 and copy of the respective directive to the Naval Staff Quartermaster Division see l/Skl I op 18512/42 Gkdos. in War Diary, Part B, Vol. V.

II. Group North intends to withdraw the LUETZOW between 8 and 12 Aug. The operational order will be issued by the Fleet, the execution will

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be under the operational command of the Fleet as far as Skudesnaes and from there on under the command of Group North. The LUETZOW will be escorted from Trondheim by torpedo boats T "15" and "7" and escort vessel F "1", and from Stavanger on also by torpedo boats T "9" and "12". The Naval Staff is requested to release the last named torpedo boats irrespective of the decision about the open water firing practice, and to inform the Air Force Operations Staff about the demands of the 5th Air Force, the Fighter Command, Norway, and the Air Force Commander, Center with regard to reconnaissance and fighter protection. A decision should be made at once about the shipyard for the LUETZOW.

In compliance with above demands, the Naval Staff places torpedo boats T "9" and "12" at the disposition of Group North and informs the Air Force Operations Staff about the transfer plans and Group North's requirements for reconnaissance and fighter protection.

A compilation of enemy radio communications intercepted and deciphered between 20 and 26 Jul. 1942 is contained in Report No. 30/42 of the Radio Intelligence Service. It contains a survey of the convoy traffic along the American East Coast, on the northern and southern transatlantic route, also a report about the decoded British secret communication of 18 May, according to which a British vessel was attacked on 15 May by a "raider" southwest of the Cocos Islands and that Keeling Island was bombed and strafed by a plane.

Situation 30 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

Middle and South Atlantic:

Due to the illness of a British escort officer, the Italian tankers ARCOLA and TAIGETE, which supply the Italian ships carrying repatriates from East Africa, had to call at Trinidad and are proceeding from there to Freetown.

The former Chief of the Chilean Army stated that Chile is supplied at the moment from Australia because Japanese submarines are not likely to be encountered on this route. The route Magallanes-Capetown will probably gain importance shortly. (Compare the report of 2 tankers passing Punta Arenas in the direction of the Pacific in War Diary of 29 Jul.)

Radio monitoring established that auxiliary cruiser ROYAL ULSTERMAN is probably in the Freetown area assigned to troop transport duty. The auxiliary cruiser ALCAZARA and the ASTURIAS which recently made her reappearance were located approximately 300 miles northwest of St. Helena.

An agent reported encountering a convoy escorted by 1 destroyer on a northwesterly course on 24 Jul. at 01° S, 08° E.

Indian Ocean:

According to a report of the Lourenco Marques Consulate, 6 light cruisers and 1 aircraft carrier are anchored off Inhaca in Delagoa Bay. A convoy sailing north was escorted by 1 MALAYA-class battleship and 1 aircraft carrier (no date was given).

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According to an intelligence report, the battleship QUEEN ELIZABETH was shifted from Alexandria to Aden, where she is to wait for an escort to Durban. However, in reality the ship reportedly remained in the northern part of the Red Sea in the vicinity of Suez.

On 29 Jul. the British steamer MASIRAH and the U.S. steamer STEEL TRAVELER were attacked by a submarine in the Gulf of Bengal.

2. Own Situation:

Radiogram 1605 informs all ships in foreign waters about the valuable information gained by the report from the Wellington intelligence center of the Allied Forces to the Commander in Chief, Eastern Fleet, Colombo which was found on the captured vessel NANKIN (see War Diary of 28 Jul.).

Additional report on enemy situation by Radiogram 2240.

II. Situation West Area

1. Enemy Situation:

The German Embassy at Dublin reported on 24 Jul. that the news about the large scale on which training of airborne troops is conducted and about the construction of glider transport planes is growing more frequent. It is reported that planes towing as many as 8 gliders have been observed over Northern Ireland. A U.S. officer from Northern Ireland, on leave at Dublin, allegedly stated that the Americans would land at places where the Germans would least expect them, in his opinion somewhere behind the northern wing of the Westwall. Tank carrying assault craft are said to have been sighted off Belfast. The Embassy report also mentions the disposition of U.S. and British forces and the location of airfields and munitions factories in Northern Ireland.

Air reconnaissance on 30 Jul. observed 14 vessels, probably motor mine sweepers, putting into Dover, south of Middlehampton 4 steamers and 2 patrol vessels; in the river mouth at Dargness 25 steamers, off Falcombe 60 assault boats at about 1100; at the same time 1 PARIS-class battleship, 1 aircraft carrier, 2 cruisers, probably light, 3 destroyers, 7 escort vessels, 140 assault landing craft, and 3 small steamers off Plymouth.

South of Lizard Head 15 steamers were observed on a westerly course. Between Portland and Start Point photo reconnaissance disclosed little change of the ship situation on the coast since 28 Jul.

2. Own Situation:

Atlantic Coast:

Nothing to report.

Channel Coast:

A German convoy was attacked at 1420 north of Morlaix by 20 enemy fighter planes; 1 net tender and 1 mine sweeper were sunk. 1 enemy fighter was shot down by a mine sweeper. Battery "Todt" and anti-

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aircraft batteries were likewise attacked during the afternoon by 20 Spitfires and suffered casualties. 1 enemy plane crashed and another one made a forced landing.

The 3rd Torpedo Boat Flotilla is scheduled to transfer from Le Havre and St. Malo to Cherbourg and the 5th PT Boat Flotilla from Hook of Holland to Boulogne during the night of 30 Jul. 3 vessels of the 2nd PT Boat Flotilla are assigned to reconnaissance in the area Cherbourg-Guernsey.

Special Item:

The Fleet Commander reports that due to seasonal weather conditions the open water torpedo firing exercises will not be concluded before the end of September, if the torpedo boats, mine sweepers and submarines are made available according to plan. For this reason it is necessary to replace the torpedo boats T "7" and "15" which urgently require shipyard overhaul around the middle of August by the torpedo boats T "9" and "12". This eliminates the possibility of increasing the 3rd Torpedo Boat Flotilla in the west area to 5 or 6 boats.

III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Nothing to report.

Own Situation:

Mine-exploding vessels swept 3 mines off Terschelling and Borkum. Mine field No. 2 has been completed. The completion of mine-field No. 3 and various minesweeping operations were handicapped by bad weather. During the night of 29 Jul. 1 Boeing was shot down off Texel by naval anti-aircraft.

The cutter float barrage "Southwest 107" (code name "Alba") is scheduled to be laid during the night of 30 Jul.

2. Norway:

At 1905 on 27 Jul. 2 torpedo planes unsuccessfully attacked a westbound convoy off Svaerholthavet. At 2310 3 Russian planes unsuccessfully attacked the convoy of patrol boat "6101" in the Sylte Fjord. Otherwise nothing to report.

3. Arctic Ocean:

Enemy Situation:

Group North assumes that the reports about enemy plans to conduct convoy PQ 18 as a large-scale operation under escort of heavy forces and aircraft carriers appear plausible in view of the grave Russian situation. The Group believes that convoy SC 91 reported on 13 Jul. on a course of 46° in quadrant BD 7610 and the convoys located south of Iceland on 23 and 24 Jul. are parts being brought up to form

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convoy PQ 18. There is no indication yet that the latter has left Reykjavik.

The Group's assumption sounds very likely.

A German submarine sighted 2 U.S. CALIFORNIA-class battleships on 28 Jul. about 60 miles west of Reykjavik; they were proceeding on a course of 70° and had an escort of 6 destroyers.

This report, too, may mean that convoy PQ 18 will depart soon.

Own Situation:

Nothing to report.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

Radio monitoring located 1 submarine depot ship and 9 submarines at sea. On 19 and 20 Jul. several drifting M 12 and M 08 mines not covered with marine growth were detonated by gunfire off Peipia and Rennisaari. On the morning of 30 Jul. 3 FUGAS-class mine sweepers, 2 other mine sweepers, approximately 11 patrol vessels or motor mine sweepers, and 1 gunboat sailed from Lavansaari in a westerly direction. The formation withdrew in a southeasterly direction after running against the east flank of the Rukarjaervi minefield and following 3 mine detonations.

2. Own Situation:

Nothing to report from the area of the Commanding Admiral, Defenses, Baltic Sea.

Mine-searching and convoy operations in the area of the Commander, Mine Sweepers, Baltic Sea proceeded according to plan. Owing to the lack of escort forces, the requirements of the Reich Commissioner of Maritime Shipping can be met only with great delay. The German steamer KAETHE was torpedoed by an enemy submarine and sank at 0750 off Steinort.

The Ontarjaervi minefield was laid according to plan.

V. Submarine Warfare

1. Enemy Situation:

Submarines were reported by planes approximately 180 miles west of the Faeroe Islands (depth charge attack with unobserved result), 70 miles northwest of Land's End and 100 miles west of Brest. A fourth submarine sighted 600 miles west of Cape Vilano was the "Kirschbluete".

The subchaser SCOTTISH was located 90 miles west of Cape St. Vincent.

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Reports from off the American East Coast and from the West Indies concern a submarine attack 60 miles south of Sable Island and several submarines sighted.

According to a report of the Naval Attache at Buenos Aires, some merchant vessels, too, are equipped with U.S.N. direction finders for wave lengths of 5 to 65 m.

2. Own Situation:

Contact with the convoy in the middle North Atlantic, which is probably convoy ON 115, was maintained at first by 2 and later by 4 submarines with only short interruptions. So far no reports of any successes have been received.

Unfortunately, nothing was accomplished against the battleship force sighted 60 miles west of Reykjanes, except a futile attack by submarine U "609" on a destroyer group detached from the main force.

However, satisfactory results were reported from the West and South Atlantic; submarine U "155" sank a BAERENFELS-class steamer (7,500 GRT), the Brazilian steamer PIAVE (2,347 GRT), the Norwegian steamer BILL (2,445 GRT), the U.S. steamer CRANFORD (6,096 GRT), the captain of which was taken aboard, all in the vicinity of Trinidad. In the same area a 6,500 GRT steamer was sunk by submarine U "66". In the vicinity of Freetown, the British steamer DANMARK (8,391 GRT), a 5,000 GRT steamer and one of 6,000 GRT were sunk by submarine U "752"; submarine U "130" sank the new steamer ALFWOOD.

In addition, submarine U "132" reported the very probable sinking of a 8,000 GRT freighter torpedoed on 29 Jul. out of a convoy 60 miles south of Sable Island.

Thus the enemy's ship losses were increased through the sinkings of a single day by 59,636 GRT.

To this must be added 5 cargo sailing ships sunk by different submarines in the Mediterranean and the damaging of destroyer II "29" east of Cyprus by torpedo hits from the submarines U "375", U "77" and U "565".

Details and additional reports in Supplement to submarine situation, War Diary, Part B, Vol. IV.

Special Items:

a. The Commanding Admiral, Submarines proposes to the Chief Meteorological Branch, Naval Staff Hydrographic and Meteorological Division that he assign 2 or 3 experienced meteorologists beginning in August for the operations against Atlantic convoys; such experts have proved very valuable, if familiar with the conditions on submarines.

b. The Second Admiral, Submarines has assigned submarine U "211" to leave Kiel on 8 Aug. for one-week tests with search gear equipment as planned by the Naval Staff Submarine Division.

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VI. Aerial Warfare

1. British Isles and Vicinity:

Armed reconnaissance planes sank a 3,000 to 4,000 GRT steamer out of a convoy south of Middlehampton. During the night of 30 Jul. considerable German forces raided Birmingham.

During the day, the enemy raided airfields in the occupied western area and lost at least 10 planes which were shot down. A few other planes raided the Cuxhaven area; 1 Spitfire was shot down.

Only a small number of enemy raids in the occupied area were reported during the night of 30 Jul. and one incursion into German territory to Nordhausen; no bombs were dropped.

In addition to the above enemy losses, 15 planes were shot down for sure and 3 others probably in free-lance fighter patrols on 30 Jul.

During a night raid on Hamburg on 29 Jul. the enemy made a futile attempt to eliminate German night fighters by attacking their airfields prior to the raid.

The Times aeronautics expert reports mass production of the Mustang, the fastest plane type of the army; it is described as particularly suited for reconnaissance and low-level operation because it is almost noiseless.

2. Mediterranean Theater:

3 enemy planes were shot down in raids on Malta. In North Africa our air forces attacked tank and truck concentrations and raided airfields near Cairo. Moreover, escort flights were carried out for North African supply transports, during which a submarine was attacked with an SC 250 bomb, reportedly with good results.

2 planes were shot down during an enemy raid on Tobruk in the night of 29 Jul.

3. Eastern Front:

Our air forces supported the operations of Army Group A and the Northern Army Group. The airfield and enemy ships at Lavansaari were attacked with observed good effect.

Ju 52 planes carried large amounts of supplies for German army units at Tsymliansk.

Photo reconnaissance over Astrakhan revealed the presence of 6 paddle steamers, 11 motor launches, 24 oil lighters, 8 freight barges, 3 floats, 40 medium and small harbor craft, and 60 other small vessels.

VII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

According to an Italian communication, the LIVERPOOL-class cruiser left the Gibraltar dock on 30 Jul. Air reconnaissance in the eastern Mediterranean revealed only slight convoy traffic.

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2. Own Situation, Mediterranean:

1 boat of the 3rd PT Boat Flotilla is en route from Tobruk to Suda.

During an enemy night air raid on Tobruk on 29 Jul., the German steamer DALOS was damaged a second time by a bomb hit. The steamer SAN MARCO had to be beached after running aground.

3. Transport of Supplies to North Africa:

The steamer OSTIA was attacked by enemy planes west of Marsa Matruh while proceeding west. The Italians had not provided for fighter protection.

17 Italian naval barges are proceeding from Suda to Tobruk. 8 more naval barges sailed from Piraeus to Suda.

The steamer SIBILIA arrived at Tobruk on 29 Jul. The MILANO-AVENTINO convoy is en route from Suda to Benghazi.

Supply and coastal traffic on schedule.

4. Area Naval Group South:

Aegean Sea:

Enemy air raids on Suda and Malemes carried out on the evening of 28 Jul. caused no damage.

Black Sea:

Enemy Situation:

12 submarines were located at sea by radio monitoring. On the evening of 28 Jul. an enemy ship, probably a mine layer, was fired upon and forced to withdraw 3 miles south of Yalta.

Own Situation:

During the night of 29 Jul. the 3rd Motor Mine Sweeper Flotilla executed an undetected exploratory sweep in the southern sector of the Kerch Strait; no mines were swept. A mine-sweeping operation was conducted south of Yalta.

3 Italian submarines and 2 PT boats sailed from Constanta via Sulina in an easterly direction.

4 naval barges were towed down the Danube from Linz on 29 Jul. 6 more naval barges were delivered at Linz.

An Army Siebel ferry sank on 28 Jul. 6 miles south of Mariupol outside the channel, probably due to striking a mine. There were a number of casualties.

Repeated enemy air raids on Mariupol during the night of 29 Jul. caused no damage to naval installations. 1 enemy plane was shot down by naval anti-aircraft.

Convoy activities were hampered by bad weather.

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Special Items:

a. The comment of Naval Group South on the transport demands transmitted by the Naval Liaison Officer to the Army General Staff (see War Diary of 29 Jul.) contains among other items a request to ensure the coordination of the demands made by the Army Quartermaster Division and Army Group A. For copy see l/Skl 18638/42 Gkdos. in War Diary, Part C, Vol. XIVA.

For the report of Group South regarding the possibilities of using the harbor of Sevastopol for supply operations see Telegram 2020.

b. The directive of Group South regarding measures for the transfer of Italian naval forces to the Caspian Sea in accordance with the Naval Staff's request to the Italian Admiralty provides that naval warfare in the Black Sea must suffer no interruption and that it must remain possible to use Italian subchasers against Russian naval forces until all of the Black Sea ports are in German hands. 3 Italian submarines are to be assigned to the Caspian Sea, while 2 are to remain in the Black Sea. For copy of telegram see l/Skl 18629/42 Gkdos. in War Diary, Part C, Vol. XIVA.

These measures conform to the Naval Staff's viewpoint.

VIII. Situation East Asia

No reports have been received.

IX. Army Situation

1. Russian Front:

Army Group A:

Enemy artillery fire in the Kerch area. German forces advancing in the Kuban area to the south have reached the Yeisk river. Spearheads advanced as far as Novo Rogalsk and Salsk. Due to floods caused by explosives in the Manych River section, ferry operations across the Don River at Rostov had to be suspended temporarily, and the 16-ton bridge thrown across.

Army Group B:

At the southern wing the rest of the enemy forces on the western bank of the Don were driven across the river.

Successful fighting occurred in the area north of Kalach against enemy tank units, parts of which had been newly thrown into the battle. An enemy attempt to cross the Don River south of Kazansk failed. At Voronezh we repulsed enemy forces which had crossed the Voronezh River.

Central Army Group:

The enemy succeeded southwest of Staritsa in breaking through our lines with strong tank forces; the breakthrough was sealed off east of Rzhev. 3 enemy divisions attacked north of Rzhev; here, too. a

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penetration had to be sealed off.

Northern Army Group:

Concentrations of enemy forces were dispersed.

2. Finnish Front:

Nothing to report.

3. North Africa:

No report has been received yet.

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Items of Political Importance

The Second European Front:

British and American industrial workers and seamen submitted petitions to their Governments demanding the establishment of a second European front.

The British believe that the SS troops are being transferred to France in order to keep the French population in line in the event of an invasion.

Another argument against establishing a second front is that in this case further war material deliveries to Russia would have to be stopped. Stalin, however, is more interested in the latter than in the second front.

France:

The French Government protested in London against the danger to the French fishing industry. The Navy Ministry denied the British report according to which German crews are taking over 20 to 30 French submarines at Toulon and Villefranche.

The German Consul General at Tangier reports that the De Gaulle movement in French Morocco is not nearly as strong as generally assumed. His supporters are supposedly the British, whose influence has vanished to a great extent. American influence is of far greater importance and ought to be checked.

In Tunisia, German military successes are the best antidote to Anglo-American propaganda among the Arabs, who are generally friendly to Germany, but cool or even hostile to Italy.

Great Britain:

Beveridge delivered an address calling for the establishment of an Economic General Staff to prepare for post-war reconstruction; he further demanded that the Government agree in principle to his proposed social measures as a means of strengthening the nation's morale.

India:

The executive committee of the Indian Congress Party voted a resolution calling for the immediate withdrawal of the British Administration. This was rejected by the Secretary of State for India who pointed out that the Cripps proposal is as far as Great Britain will go. The Crown Council at Delhi considered the possibility of an Allied guarantee of India's independence after the war and the establishment of an interim Government until such time.

Iran:

The Cabinet has resigned.

U.S.A.:

The trial of 8 arrested German agents has begun.

In the opinion of Time magazine, the training of American pilots lags behind aircraft production.

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Conference on the Situation with the Chief, Naval Staff

I. The Chief, Naval Staff Quartermaster Division reports on his report to the Fuehrer about the problem of shipyard workers. (See War Diary of 29 Jul., Special Items, no. II.) The Fuehrer, referring expressly to the saving of lives of Army personnel which could be achieved by submarine warfare, granted in full all of the proposed demands. It will thus be possible to provide the lacking shipyard workers required for all of the 8 items on the priority list if the order already issued by the Fuehrer to the Armed Forces High Command can be carried out successfully. The Minister of Armaments and War Production as well as the Deputy for Labor will be heard in this connection by the Fuehrer only if the execution of the above-mentioned directive should run into difficulties.

The Fuehrer also stated that no plans are to be submitted for battleships with less than 45 cm guns. The Naval Staff highly welcomes this attitude toward the battleship problem. The Naval Construction Division has been informed accordingly.

The Fuehrer, moreover, blames the Navy for the fact that the explosive hexogen has not been introduced thus far.

The Chief of the Naval Ordnance Division clarifies the situation, showing that industry has been unable to deliver the new explosive in the quantities required by the Navy. The Chief, Naval Staff Quartermaster Division is ordered to give the Fuehrer the exact facts on the next occasion on the basis of the actual documents. It would also be very interesting to find out from whom the Fuehrer received this false information which placed the Navy in a bad light.

II. The Chief, Naval Ordnance Division reports on various new regulations concerning armament and on the construction of concrete vessels for which a special commission is being created. It is discussed whether it would be desirable to increase the influence of the Navy by changing the Special Board for Warship Construction (Sonderausschuss) into a Central Board (Hauptausschuss); the Commander in Chief, Navy orders the Chief, Naval Construction Division to report on the value of the Board for Warship Construction.

III. The Naval Staff Submarine Division is directed by the Commander in Chief, Navy to see that the Second Admiral, Submarines takes up his office as soon as possible in the Diederichs villa, recently purchased by the Navy. Thus the ERWIN WASSNER, used at present as living quarters, will become available as a target ship.

Special Items:

I. The Naval Staff Operations Division replies to the inquiry of the Fleet Commander about the disposition of the SCHEER (see War Diary of 21 Jul. under Norway). See l/Skl I op 1473/42 Gkdos. Chfs. in War Diary, Part C, Vol. I.

II. The original suggestion to use a pocket battleship in the Kara Sea was made in the Naval Staff's survey of the situation of 6 Mar. 1942, entitled "The Operations of Surface Forces in the Arctic Ocean"; the prospects for successful operations were emphasized first by the Naval Staff on 5 May and subsequently also by Group North on 2 Jun. In the course of preparing for them, the Chief, Naval Communications Division

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was requested to examine the operational possibilities for surface forces in the eastern Barents Sea and the waters of Novaya Zemlya on the basis of reports from the Radio Communication Intercept Service; he was also requested to survey the Russian direction finding system. (See War Diary of 19 Jun.)

On 27 Jul. the Chief, Naval Communications Division complied with the above requests and submitted the evidence which indicates that a Russian direction finding system exists in the Arctic Ocean to the Operations Division, Naval Staff, with copy to Group North. See Skl Chef. MND 1450/42 and 1458/42 Gkdos. Chfs. in file "Operation SCHEER in Kara Sea, Summer 1942".

III. The Chief of the Naval Construction Division requested the Quartermaster Division, Naval Staff to submit suggestions regarding the fleet torpedo boat model 1942. In this connection, the Chief of the Operations Division, Naval Staff comments as follows: The 1942 model fleet torpedo boat is between a torpedo boat and a destroyer and must be able to maintain a speed of 36 to 37 knots. The 1942 model is the first ship of this type to be equipped with motor propulsion and therefore its range will be greatly increased. The Chief, Naval Staff Operations Division expects, moreover, that the advances made and the experience gained by the German motor manufacturers will make it possible to develop a reliable and durable propulsion system which could not be achieved with high pressure steam engines. For this reason alone the Chief Naval Staff Operations Division consents for the time being to the development of the proposed type in spite of its unsatisfactory speed of only 34 knots and other deficiencies, as for instance, the unfavorable ratio between armament and range of operation. In the future development of this type the speed must be increased. Only the necessity imposed by war conditions (restriction of the use of copper) can justify building the new 1942 model fleet torpedo boat before the preceding model has been tried out. The Chief Naval Staff Operations Division therefore suggests starting with an initial order of 3 or 4 vessels and going into mass production only after these have been thoroughly tested.

Situation 31 Jul. 1942

I. War in Foreign Waters

1. Enemy Situation:

North Atlantic:

According to an intelligence report, a Newfoundland convoy sighted off New York was escorted by a former British freighter converted into an aircraft carrier.

Indian Ocean:

The U.S. steamer SANTA MONICA gave a QQQ signal 40 miles east of Durban. All ships in Africa and Australia other than British and American are reported to have received orders to proceed to the U.S.A.; this was communicated by the German Naval Attache at Buenos Aires without disclosure of origin. The northbound convoy reported by the Lourenco Marques Consulate on 30 Jul. as being escorted by the MALAYA and an aircraft carrier was sighted on 27 Jul.; it consisted of 65 ships.

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2. Own Situation:

Ship "45" arrived at Kiel for the completion of repairs.

All ships in foreign waters are informed by Radiogram O359 about the raids on Hamburg, which are being played up by enemy propaganda.

According to our records, the ships AUSONIA, DERBYSHIRE, and WORCESTER-SHIRE, mentioned in the official Australian reports (see War Diary of 28 Jul.), were already sunk in September, February, and April 1941 respectively. The CARINTHIA was sunk as early as 1940. It must therefore be assumed that the Australian documents are old ones, or else other ships have been given those names, which appears unlikely.

Information concerning this fact and other enemy intelligence is transmitted to all ships in foreign waters by Radiogram O628.

II. Situation West Area

1. Enemy Situation:

According to an intelligence report from Liverpool, the KING GEORGE V sailed from Liverpool on 10 Jul. after completion of repairs.

Preliminary interpretation of an aerial photo revealed a cruiser in dock at Plymouth. The aircraft carrier reported on 30 Jul. turned out to be a merchant vessel.

2. Own Situation:

Atlantic Coast:

2 ground mines were swept on route "Herz" and 1 off Le Verdon and 1 on the approach to La Pallice.

Channel Coast:

During the night of 30 Jul. the 3rd Torpedo Boat Flotilla transferred to Cherbourg, and the 5th PT Boat Flotilla to Boulogne; the 2nd PT Boat Flotilla reconnoitered the area Cherbourg-Guernsey. During the night of 31 Jul. the 2nd PT Boat Flotilla is to be transferred from Guernsey back to Cherbourg, 12 vessels of the 4th and 5th PT Boat Flotillas will be transferred from Boulogne to Guernsey, and 4 to Cherbourg. In addition, the 8th Mine Sweeper Flotilla will be shifted from Le Havre to Cherbourg.

The 5th PT Boat Flotilla had a brush with 3 enemy PT boats directly off Boulogne at 0305, in the course of which an enemy vessel was probably damaged; none of our vessels suffered damage or casualties. For short report see Telegram 1740.

At 1540 15 to 20 enemy planes operated over the area Le Touquet-Plage de Quend. At 1900 St. Malo was raided; steamer H2 was damaged and had to be beached.

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III. North Sea, Norway, Arctic Ocean

1. North Sea:

Enemy Situation:

Reconnaissance planes sighted 8 medium sized steamers at anchor off Great Yarmouth. Lively patrol activity was observed between Folkestone and Margate.

Own Situation:

Mining operation "Alba" was executed according to plan. During the night of 30 Jul. a German convoy was vainly attacked with bombs and 1 torpedo by enemy planes in quadrant AN 8312. A patrol boat had a half-hour engagement with 3 enemy PT boats in quadrant AN 8558, apparently without result on either side.

Ground mines were swept off Schiermonnikoog and again off Egmond-aan-Zee. Channel-sweeping and convoy operations in the area of the Commanding Admiral, Defenses, North Sea proceeded according to plan. Mining operation "Alba" will be continued during the night of 31 Jul.

In the afternoon enemy planes were active over the area east of Emden. German fighters encountered no enemy planes. Enemy reconnaissance planes flew over the German coastal area.

On 21 Jul. the British Government reiterated its warning not to frequent the waters of the North Sea, the English Channel, and the Bay of Biscay, referring to the area declared on 18 Mar.; this warning motivated the Danish Government to issue an urgent appeal through the Inspector of Fishing to all Danish trawlers operating in the North Sea to put into port on 23 Jul. This step had been previously approved by the German plenipotentiary. The Naval Staff informed Group North, the Commanding Admiral, Norway and Group West accordingly and also notified the Naval Representative on the Operations Staff, Armed Forces High Command.

2. Norway and Arctic Ocean:

Enemy Situation:

According to an intelligence report, preparations for the assembly of a convoy to Murmansk or Archangel are being made. 5 or 6 older cruisers are said to be camouflaged as freighters and the larger freighters are to be equipped with anti-torpedo nets. The sailing will probably take place soon after 8 Aug.

Own Situation:

On 29 Jul. there was some enemy air activity over the Arctic and northern coastal areas and bombs were dropped on Vardoe without causing damage. Convoy operations in the area of the Commanding Admiral, Norway proceeded according to plan.

In view of operation "Wiesengrund", the Commanding Admiral, Norway requests permission to lay a minefield by the middle of September, to extend from 69° 44.75' N, 31° 20.7' E to 69° 42.3' N, 31° 32.8' E. For details see Telegram 1820.

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The anti-torpedo net defense in the inner Skjomen Fjord will probably be completed by 8 Aug., following completion of the third net enclosure in Bogen Bay on 3 Aug.

Regarding the executive order of Group North for the transfer of the 6th PT Boat Flotilla to Germany see Telegram 1043.

As directed by Group North, the 22nd Mine Sweeper Flotilla will proceed to Norway following the completion of minefield No. 3 in the southern North Sea.

The 5th Mine Sweeper Flotilla will return to Germany for shipyard overhaul at about the same time. This exchange conforms to the Group's plans as approved by the Naval Staff.

IV. Skagerrak, Baltic Sea Entrances, Baltic Sea

1. Enemy Situation:

The Military Attache at Budapest relayed the following intelligence report from Stockholm dated 12 Jul.: Submarines leaving Kronstadt are under orders to harass German shipping until their torpedoes are exhausted and to put into Swedish ports if unable to break through to the British Isles. They are to evade capture by Germany under all circumstances.

2. Own Situation:

Convoy and patrol activities in the area of the Commanding Admiral, Defenses, Baltic Sea proceeded according to plan without major incident.

The Air Force General attached to the Commander in Chief, Navy entrusted Commander Kamp of the Naval Air Reserve Training Group (Fl. Erg. Gr. Sec) with air protection for the transfer of dock Bruno. For order see Telegram 1444.

Naval Station, Baltic requests that the Commander in Chief, Air Force be asked to extend the area of fighter protection at least to the latitude of the southern tip of Bornholm, since the present range extending only as far as Gjedser is considered inadequate.

The Naval Staff will comply with this request.

Mine-sweeping activities in the area of the Commander, Mine Sweepers, Baltic Sea were hampered by the weather. The mine-laying operations "Seehund 1" and "Nashorn 12" are scheduled for 1 Aug. Convoys proceeded according to plan.

The Commanding Admiral, Baltic Countries requests that the crews of the 5 withdrawn Arado squadrons be supplied with planes equipped for instrument flying, in view of the lengthening nights and frequent fogs; 6 planes are required for the eastern and 3 for the western sector of the area. The Commanding Admiral, Baltic Countries considers sea planes with trained crews indispensable in view of past experiences. Group North supports this request emphatically. (See Telegram 1410 and 1930.) The Naval Staff will approach the Operations Staff, Air Force about this matter.

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Group North reports that the Cellarius group was placed under the operational command of the Commanding Admiral, Baltic Countries, who will consult with the Commander, Mine Sweepers, Baltic Sea and the Finnish Naval Staff regarding its commitment. Code name "Iwankonning"

V. Merchant Shipping

1. The British Admiralty announced that a total of 6,178,681 GRT of German and Italian merchant vessels were seized, sunk, or damaged up to 30 Jun. 1942; this figure does not include losses inflicted by the Russians which are estimated at 750,000 GRT, nor the 44 German and Italian ships totalling 256,079 GRT tied up in Central or South American ports, the use of which the Axis Powers are deprived of. Neither are the losses inflicted on the Japanese merchant marine included in the above figure.

Actually, German losses up to 31 May 1942 amount to a total of 365 ships of 1,659,118 GRT; of these, 314 vessels totalling 1,436,820 GRT were lost due to enemy action, 29 with 88,386 GRT due to accidents, while 22 ships of 133,912 GRT were either sold or scrapped. Exact figures of the losses suffered by the Italian merchant marine are not available. However, even the addition of the Italian losses would not nearly approximate the figure given by the enemy.

2. According to Japanese observations, 20 Russian ships carried 113,124 tons of material to Vladivostok since January 1942. The cargoes consisted exclusively of foodstuffs.

VI. Submarine Warfare

1. Enemy Situation:

Enemy planes reported attacks on 2 submarines with depth charges approximately 200 miles south of Reykjanes, scoring one probable hit. Another plane reported sighting a periscope 160 miles southwest of Jan Mayen. Lively reconnaissance activity also over the Bay of Biscay between 8° and 12° W. The U.S. steamer AMERICAN BUILDER observed a suspicious looking reflection of fire about 450 miles west of Freetown.

A number of reports concerning the sighting of submarines were intercepted from off the American East Coast and from the West Indies.

2. Own Situation:

The "Nebelkoenig" group consisting of 7 submarines stationed between Iceland and Jan Mayen was assigned to a zone of operations 30 miles across in each of the quadrants AA 89, AA 97, AE 22, and AE 23.

Submarine U "601" is returning to Kirkenes from quadrant AT 4855 via AT 74.

Contact with the convoy located in quadrant BD 12 was lost since our submarines were driven off by the destroyer escort. Contact could not be reestablished during the day. The 6 submarines operating against

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this convoy were combined into the "Pirat" group and ordered to take up positions at 0900 of 1 Aug. on a line extending from quadrant BC 5395 to quadrant BC 5979.

Group "Wolf" was dissolved. After refueling, its boats are to join the "Pirat" group and occupy the gaps in the patrol lines held by "Pirat".

Contact with the convoy spotted by submarine U "132" south of Nova Scotia could not be reestablished. Submarine U "754" reports sinking a modern fishing steamer by gunfire in quadrant BB 7768 on 28 Jul. Submarine U "600" encountered 17 drifting mines in the Iceland Passage.

Additional reports in Supplement to Submarine Situation in War Diary, Part B, Vol. IV.

VII. Aerial Warfare

1. British Isles and Vicinity:

Armed reconnaissance off the English coast had no important results. German fighters shot down 17 enemy planes during a raid on west German territory.

A bombing raid on Tynemouth was carried out with observed good results. A small force raided Hull during the night of 31 Jul. During the same night strong enemy forces penetrated into German and Danish territory. The attack centered on Duesseldorf and caused very considerable damage. For details see daily situation report. 19 attackers were destroyed.

2. Mediterranean Theater:

3 enemy planes were shot down in raids on Malta. Other missions included reconnaissance and escorting of North African supply convoys. The Air Commander, North Africa reported 1 Wellington shot down by free-lance fighter patrols. Anti-aircraft artillery shot down 1 plane during an enemy raid on Tobruk. The 2 anti-aircraft regiments with the African Corps reported 101 enemy planes shot down since 26 May.

3. Eastern Front:

Our planes attacked shipping on the Volga River. Otherwise nothing to report.

VIII. Warfare in the Mediterranean and the Black Sea

1. Enemy Situation, Mediterranean:

The EAGLE, CHARYBDIS and a number of destroyers held maneuvers lasting a few hours east of the Strait of Gibraltar. The Italian Navy reports that submarines were located off Pola, on the western Peloponnesian coast and north of Bomba Gulf.

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Photo reconnaissance of Valletta revealed 2 destroyers, 2 submarines, 2 patrol vessels, 2 mine sweepers, and 2 steamers in the harbor.

No reconnaissance reports have been received from the eastern Mediterranean.

2. Own Situation, Mediterranean:

Only 2 German PT boats are ready for operations at Marsa Matruh.

Strong enemy forces raided Tobruk during the night of 30 Jul. without damage to harbor installations. PT boat S "60" which had to be dismissed from Marsa Matruh on 30 Jul. on account of engine trouble arrived at Suda on the way to Italy.

3. Transport of Supplies to North Africa:

An Italian transport submarine arrived at Tobruk on 30 Jul. Other transport operations on schedule. 1,331 tons of material were unloaded at Tobruk on 30 Jul.

4. Area Naval Group South:

Aegean Sea:

No situation report was received due to interruption of communications.

Black Sea:

Enemy Situation:

During the night of 29 Jul. and on 30 Jul. enemy planes dropped bombs and strafed targets in the Kerch area.

Own Situation:

4 boats of the 1st PT Boat Flotilla with the Commanding Admiral, Black Sea on board arrived from Constanta at Ivanbaba. The Admiral's operations staff is moving to Kerch.

The transfer of naval barges from Constanta and Balaklava to the east has begun.

Due to weather conditions, 3 Italian submarines returned to Constanta; 2 Italian PT boats left Sulina in an easterly direction.

The new Yalta minefield was completed on 29 Jul. A 17 cm battery at Cape Takil at the western entrance to Kerch Strait is ready for action.

Convoy operations proceeded according to plan.

As reported by Group South, the Turks definitely established the presence of a deep anti-submarine minefield in front of the entrance to the Dardanelles. Turkish political circles are said to be convinced that it is a German barrage violating Turkish sovereignty. The British adviser to the Turkish submarine arm reportedly took part in the investigation.

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In this connection it is reported by Group South that the German mine-field was definitely laid outside of Turkish territorial waters, since the Turkish light beacons were in full operation. In the Group's opinion Turkey should be reminded of the fact that the Aegean Sea was declared a zone of operations and should be notified through diplomatic channels that the sweeping of German mines in the zone of operations and beyond Turkish territorial waters will not be tolerated; such action constitutes interference with and restraint on German warfare.

Group South requested the Naval Attache at Istanbul to find out the exact place where the Turkish submarine ATTILA was sunk.

The Commanding Admiral, Aegean Sea was instructed by Group South to call attention to the German declaration of the existence of a zone of operations if and when it is observed that the Turks engage in mine-sweeping outside their territorial waters, and to demand cessation of such activities. He is, however, not to use force but to report the Turkish attitude. (See Telegrams 1330 and 1830.)

The Chief of the Quartermaster Division, Naval Staff conferred with the Chief of the Air Force General Staff concerning assistance to be rendered by the Air Force in getting naval barges through the Kerch Strait. The protection requested will be furnished. The 4th Air Force will take the necessary steps. Group South is informed of the above by Telegram 1717.

Regarding an inquiry of Group South as to the assignments for small coastal mine-laying craft and the completion of the auxiliary patrol vessels under construction in the Aegean Sea see Telegrams 2015 and 1831. This matter will be attended to by the Quartermaster Division, Naval Staff.

IX. Situation East Asia

The press reports fighting of extreme violence in the interior of Hupei Province.

It is reported from Chungking that Japan has 1,132,000 men, equal to 75½ divisions, deployed in China, 33½ divisions in Manchukuo and 2 divisions in Korea.

X. Army Situation

1. Russian Front:

Army Group A:

In the northern Caucasus we have reached Aleksandrovsk; tank forces have crossed the Yeya River. Southwest of Salsk the railroad Krasnodar-Stalingrad was reached at Peshanokopskoye and was crossed by other tank units on either side of Salsk. Units advancing from the bridgeheads of Nikolayevsk and Tsymliansk broke through enemy defenses and reached the area north of the Sal River.

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Army Group B:

South of Chirskaya the enemy attacked an infantry division with 3 regiments and brought up reinforcements into the areas north and west of Kalach. Attacks on our spearheads were repulsed. Further to the north, encircled enemy forces tried to break through to the east, but were halted by converging attacks of German infantry and tanks. An enemy tank attack in the Don River bend northeast of Pleskaya was repulsed. The enemy attacked unsuccessfully northwest of Kazansk. The 8th Italian Army deployed in the area Starobelsk-Millerovo-Voroshilovgrad advanced in a northeasterly direction. In the Voronezh area and north of it heavy artillery fire and strong enemy troop concentrations.

Central Army Group:

An enemy attack following an artillery barrage between Kirov and Sukhinichi was repulsed. Continual rain caused flooding of defense positions and quarters of the 3rd Panzer Army. East and north of Rzhev the enemy tried to widen the point where he had penetrated our defenses and brought up tanks under cover of fog to our positions northwest of Rzhev. Also in the Byeloi area and at our new lines south of the Dvina River at Velizh enemy attacks resulted in defensive fighting.

Northern Army Group:

The enemy was repulsed with heavy losses in front of the Spanish Division north of Lake Ilmen. He succeeded, however, by massed attacks in penetrating on a narrow front into our bridgehead south of Soltsy. A counterattack is in progress. Enemy troop concentrations south of Leningrad were taken under gunfire.

2. Finnish Front:

Nothing of importance to report.

3. North Africa:

No situation report has been received.

GLOSSARY

Alba

Cover name for minefield SW 107 laid between 52° 47' N, 03° 17' E and 52° 53' N, 03° 13' E.

Anton

Code name for the operation to seize unoccupied France in cooperation with Italian forces.

Auerhahn

Cover name for transfer of the KOELN and ECKOLDT from Kristiansand South to Trondheim escorted by destroyers IHN and Z "24".

Barbarossa

Cover name for the invasion of the U.S.S.R. begun in 1941.

Bluecher

Cover name for the crossing of the Kerch Strait by German forces and capture of the eastern shore.

Brahma

Cover name for minefield laid between 49° 56.4' N, 00° 27.7' W and 49° 58' N, 00° 21.7' W.

Cerberus

Code name for the operation involving the transfer of the SCHARNHORST, GNEISENAU, and PRINZ EUGEN through the Channel in February 1942.

Duesseldorf

German reference point on route "Gelb", located at 24° 00' S, 99° 00' E.

Dahlem

German code name for Sunda Strait in reference to route "Gelb".

Eispalast

Operation against convoys PQ 18 and QP 14.

EMC

Standard mine, type C; a contact mine against surface vessels.

EMF

Standard mine type F; a moored influence mine.

Etappe

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.

Feuerzauber

Code name for the planned capture of Leningrad by the Northern Army Group early in September 1942.

Gruen

Code name for minefield laid between 50° 13.5' N, 00° 26' 40" E and 50° 15' N, 00° 32.5' E.

Herkules

Code name for the planned capture of Malta in cooperation with Italian forces.

Kasper, Kaspar

Code name for minelaying operation by the KAISER, ULM, and BRUMMER involving minefields SW 9, 10, and 11 in the North Sea. 560 EMC, 100 cutter floats, and 400 explosive floats were used.

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 200 W. She had expected to reach France in the middle of July but was delayed en route.

Kobold

Cover name for minelaying operation by the KAISER and the ULM involving minefields SW 7 and 8 in the North Sea. 440 EMC and 400 explosive floats were used.

Kunigunde

Code name for minelaying operation and minefields XIIIa and b in the Skagerrak. The operation was carried out by the KOELN, K 1, and minesweeper M 1907.

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.

Mark XVI

A British contact mine. It consists of a center belt 4 1/2 inches wide and two hemispheres 40 inches in diameter, which are welded to the former.

Nashorn

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.

News Analysis "Foreign Navies" (Nachrichtenauswertung "Fremde Marinen")

A daily analysis of foreign newspaper reports concerning foreign naval news, compiled by the Naval Staff Intelligence Division (3/Sk1).

Political Review (Politische Uebersicht)

A daily review of political developments abroad published by the Naval Staff Intelligence Division (3/Sk1).

PQ

Designation of convoys proceeding eastward from the United Kingdom to northern Russia.

Putra

Cover name for minefield laid between 49° 51.9' N, 00° 33.7' W and 49° 53.7' N, 00° 27.9' W.

QQQ signal

Distress signal sent by ship when sighting or under attack by armed reider. QQQ was also used when suspicious merchant vessels were sighted.

QP

Designation of convoys returning to the United Kingdom from northern Russia.

Rack mine, type A

The German SMA mine. A moored influence mine dropped from a specially constructed minelaying submarine. Its charge weighed approximately 350 kilograms. This mine was designed for waters of 50 m. to 300 m. depth.

Reseda

Cover name for minefield laid between 50° 20' N, 00° 34' 40" E and 50° 17' 20" N, 00° 30' 40" E.

Rhein

Cover name for minefield laid between 50° 34' N, 00° 58' E and 50° 31.5' N, 00° 51' E.

Roesselsprung

Code name for operation against convoy PQ 17.

Rose

One of the names for reference point 1 on route "Gelb", located at 24° 00' S, 99° 00' E.

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.

Route "Gelb"

Route taken by German vessels to Japan, via Indian Ocean and Sunda Strait. The points touched on this route are given below, with their usual designations. On occasion the designations for these points were changed.

1.	"Duesseldorf"	-	24° 00' S, 99° 00' E
2.	"Dahlem"	-	Sunda Strait
3.	"Danzig"	-	09° 15' N, 110° 30' E
4.	"Darmstadt"	-	20° 50' N, 120° 00' E
5.	"Duisburg"	-	26° 00' N, 128° 40' E
6.	"Doeberitz"	-	34° 00' N, 139° 50' E

Route "Rollbahn"

This route touched the following points:

Saale	-	24° 00' S, 99° 00' E
Altmuehl	-	Sunda Strait
Regen	-	09° 15' N, 110° 30' E
Hunte	-	20° 50' N, 120° 00' E
Persante	-	26° 00' N, 128° 40' E
Neckar	-	34° 00' N, 139° 50' E

RRR signal

Distress signal sent by ships when sighting or under attack by enemy warship.

Saale

A German reference point in the Indian Ocean. It was located at 24° S, 99° E.

Satan

Code name for mine laying operation carried out by the KAISER and the ULM. The barrage laid was SW 6 in the North Sea. 250 EMC mines, 400 explosive floats and 200 cutter floats were used.

Sauna

Minefield in the eastern Baltic Sea.

SC bombs

Thin-shell high explosive bombs.

Schubert

German reference point located at 25° S, 22° W.

Seeigel

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.

Siebel ferry

A double-hull ferry boat developed by Special Command Siebel (Sonderkommando Siebel). It consisted of two steel hulls connected by means of wooden platforms; there was a turret in the center. The Siebel ferry could be used as a gun platform, troop carrier, or supply carrier.

SMA mine

Rack mine, type A. A moored influence mine dropped from a specially constructed minelaying submarine. Its charge weighed 350 kilograms. This mine was designed for waters of 50 m. to 300 m. depth.

SSS signal

Distress signal sent when sighting or under attack by a submarine; could also indicate being damaged by a mine.

Standard mine, Type C

EMC, a contact mine against surface vessels.

Standard Mine, type F

EMF, a moored influence mine.

Stein

Code name for minefield laid between 50° 29' N, 00° 43' E and 50° 29' N, 00° 51' E.

Thusnelda

Code name for minefield 6a of the Westwall barrage laid by the ROLAND in the North Sea.

Type VII C

A 500 ton sea-going submarine. It was 67.1 meters (221.43 ft.) in length, had diesel-electric propulsion, and was armed with 4 bow tubes and one stern tube.

Type IX C

A 740 ton ocean-going submarine of earlier construction. It was 76.76 meters (251.81 ft.) in length, had diesel-electric propulsion, and was armed with 4 bow tubes and two stern tubes.

Type X B

A 1600 ton minelaying submarine. It was 89.8 meters (294.78 ft.).

in length and had normal diesel-electric propulsion. It was equipped with 30 mine shafts and two stern torpedo tubes.

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.

Westwall

A system of mine barrages in the North Sea and off the coast of Norway. Geographically it constituted an extension of the Westwall fortifications on land.

Wiesengrund

Cover name for the planned capture of Rybachi Peninsula.

Zaunkoenig

Code name for minelaying operation and minefield extending from 49° 53.9' N, 00° 51.9' W to 49° 56.4' N, 00° 37.9' W.

