



CENTRAL INTELLIGENCE AGENCY WASHINGTON 25, D. C.

27 July 1950

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SUBJECT: The Korean Situation AND THE RELEASE OF THE PROPERTY OF THE PARTY OF THE PROPERTY OF THE PARTY OF THE PA

I. Hilitary Situation.

North Korean forces are continuing to build up pressure along the entire front, but only minor changes in positions occurred during the past 24 hours, thus increasing the possibility that the invaders are regrouping and reorganizing for another major attack.

In the south, the North Korean Fourth Division was forced back two miles by attacking US forces one mile east of Hadong. An estimated 1200 North Korean troops supported by artillery was reported in the west sector; these troops may be the North Korean Sixth Division advancing from Shinan. Hotorized recommaissance by the US First Cavalry to Chinju and Kamon along the left flank failed to contact the enemy. Enemy envelopment isolated one company of US troops in the area Southwest of Yongdong; a second attack by the enemy succeeded in making a minor penetration into southern-held territory near Kidae. On the eastern sector, the Seventh North Korean Division offensive, supported by tanks in the area south of Yongju, was repulsed. Reports indicate the possibility of a new Kinth Borth Korean Division in the area northwest of Tanyang.

A US reconneissance pilot reported sighting a four-engined plane, possibly a PE-S; one enemy aircraft of unknown type attacked the US Fifth Air Force advance base at Taegu and dropped one bomb.

II. Other Developments.

North Korean propaganda which is supervised by Soviet advisors, is citing Stalin's reply to Nehru's letter on the Korean issue as further evidence of the Soviet foreign policy of defending the peace and security of the world. Korean Communist broadcasts state that their regime would welcome a "peaceful settlement," but stress the roint made by Stalin that the door to such a peaceful settlement will open only after delegates of the Chinese People's Republicare seated in the UN and the Council hears "representatives" of the Korean people.

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