SHAFF MAIN - 14 January. After some three weeks' experience of the offensive in the ARDENNES, RUNDSTEDT has decided that he has had enough and that he would withdraw. Favored by heavy snows, he is managing to do this in good order, though with serious losses. Already these amount to the total destruction of one quarter of the men and well over half of the armored fighting vehicles staked on the venture. Reserves which would have been available in case of success, were withheld and diverted toward ALSACE, where tentative incursions from three sides, converging into the plain, were judged to have met with sufficient success to deserve exploitation.

The pressure of the Allied counter-attacks on the Northern flank of the ARDENNES salient soon became severe enough to compel the withdrawal of armor from around BASTOGNE. First the important lateral road from LAROCHE to VIELSALM was cut and overrun and soon the vital lateral from HOUFFALIZE to ST VITH was threatened and taken under Allied fire. Meantime pressure was also beginning against the snout, from the Northwest and Southwest. Here the enemy (116th Panzer in the North and the two panzer grenadiers in the South) fought back vigorously, while the three panzer divisions in danger of being cut off withdrew as quickly as the bad and congested road conditions would allow, leaving only rearguards in contact. Allied attacks on the South of the salient were also unremitting, and made steady progress, though the enemy counter-attacked at times successfully. BASTOGNE finally ceased to be a pocket, and 5th Parachute Division lost over 2,000 prisoners in withdrawing from the salient to the Southeast of the town. Ineffectual counter-attacks further to the East failed to relieve the pressure.

In ALSACE, the enemy's armor was at last committed, in the chosen spot -- the plain East of the HARDT ridge. It advanced up to the Allied positions based on the MAGINOT Line and proceeded to attack. Severe losses were incurred, but no great progress was made. More enterprising advances, but not in great strength, were made from the GAMESHEIM bridgehead North of STRASBOURG, and from the COLMAR pocket South of it. The remainder of the sector was
relatively stagnant, while more reserves were being brought up for a fresh attempt.

The remainder of the Front was quiet. The threat in HOLLAND was still further deflated, but there were some signs of a buildup in the TRIER sector.

The German attacks Northwest of COLMAR went on throughout the past week with small gains of ground being made by both sides. On January 7th a German attack was launched in the Northern tip of the ALSACE bridgehead in the areas of WITTENHEIM and BOOFZHEIM. Good progress was made and by the following day the furtherest penetration was made, elements of the 106th Panzer Brigade reaching KRAFT about seven miles to the North and encircling the Allied forces in BOOFZHEIM, OBENHEIM and GERSHEIM. A pontoon was constructed across the RHINE at OTTENHEIM where more equipment was ferried across. The line by the end of the week ran along the main SELESTAT-STRASBOURG road to BENFELD, (inclusive to the Allies) to MATZENHEIM, ERSTINE, (also inclusive to the Allies), to KRAFT and then due East to the River.

The bridgehead North of STRASBOURG, now involving elements of all three regiments of 553 Division, (about 500 men are left at this time) made progress throughout the week until January 12th when our troops began to regain ground and GAMBSHEIM capitulated. There was bitter fighting in the local actions in this area during the period.

Another more important attack was launched by 21st Panzer Division in the HATTEN area, at the Northeastern corner of the forest of HAGENAU, on January 7th. Allied troops were pushed out of STUNDWILLER and ASCHBACH on the first day. HATTEN itself was taken on January 9th and by the 12th advances up to three miles had been made by the enemy.

The HARDT Forest salient, as in the previous week, was not enlarged but shrank steadily before Allied counter-attacks. On the Eastern flank of the sector DAMBACH was evacuated by the German garrison on January 7th. To the Southwest, a force stayed on in WINGEN, on the main East-West road, and fought there until left well behind by the main body. How-
ever it made its way back on January 8th, and by the 10th the line was about five miles off to the Northeast. The drive of 17th SS Panzer Grenadier Division towards ROHRENC to the Northwest was completely driven in during the period.

The Southern flank of the ARDENNES salient stayed more stable than the Northern, holding firm to enable the forces out to the Northwest to pull in. Nevertheless, important ground was given, especially Southeast of BASTOGNE, where after some days after nibbling away at the pocket 5th Parachute Division was forced out on January 12th with a considerable loss in men and material. A further little pocket to the East was also forced to withdraw, just Southeast of WILTZ. The fighting along the line West to BASTOGNE was extremely heavy and though in the long run a lot of ground was lost by the German forces, they were able from time to time to improve their positions locally in their attempt to keep open the escape route for the forces further North evacuating from the nose of the salient. The weather was extremely unsuitable for mobile operations: snow and ice greatly restricted the movement of both the withdrawing Germans and the Allied forces, and it was not possible to know at all times just how far the German divisions had withdrawn. The troops on the outer fringes had already started their Westward move at the beginning of the week and they kept it up throughout the period. The important road junction at CHAMFLOK and the town of LAROCHE fell on January 11th.

The East-West road from just South of VIELSALM to LAROCHE also fell into Allied hands. The most heavily defended sector was at SAMREE where 560th Volksgrenadier Division and 2nd SS Panzer Division kept the Allies off the road until January 10th. Allied forces to the East closely approached MONT LE BAN which is less than two miles from the HOUFFALIZE-St VITH road.

On January 7th the German force West of the River SALM fell back to the line of the river as far South as SALMCHATEAU and across the river from WANNE to STAVELOT in the North. One bridgehead over the river was established on January 10th which was containd, but thereafter the line was carefully held and efforts were made to prevent further Allied penetration. An Allied attack launched on January 13th in the "STAVELOT corner" against 18th Volksgrenadier Division met with only moderate resistance as this division was in a reduced state.
During the past week the DUREN sector was quiet.

In HOLLAND the German pocket West of the MAAS at WANSSUM which already existed at the beginning of the week, was driven in on January 8th. On January 7th the small party from 6th Parachute Division which had crossed the MAAS at CAPELLE was virtually mopped up by the Allies but on the following day their hold was re-established and eventually relieved by elements from 712th Division.

The main offensive sector in the WEST - the EIFFEL - is now the enemy's main defensive sector. If we are to believe the German officer prisoner of War (and it is a credible story) who stated that HITLER, at a conference held on 10 December, gave as the objectives of Operation "GRAB" the MEUSE in 2 days, ANTWERP in 3 weeks and to cut off 38 Allied infantry divisions, it can be all the more readily understood how badly the offensive fared. And so the enemy has had to cast round elsewhere in order at best to retain some initiative on the front as a whole - at worst to retain it somewhere. He seems to have chosen the area of Army Group G and to have shifted part of his reserve forces to give added impetus to his attack. And we may see a development of the offensive in the SAAR. But such further attacks can only have as their object diversion: To keep the Allies from concentrating their forces, to take our eyes off the main ball and to keep us jumpy. So far no new division has appeared during the course of the offensive which was not a probability for this front. The opening of the Russian offensive will lessen the chance of the "uncertainties" refitting or forming in GERMANY appearing in the WEST. At least we shall not get all of them. At best none, if the transfer of 711th Infantry Division to HUNGARY from HOLLAND is any criterion. But so much has been built up in the minds of the German public and the German soldier of the great Western offensive that it will be a bitter pill for them to swallow if all Hitler can show at the end of the month is a defensive front and a depleted army. And so he won't give up yet, as 6th SS Panzer Army and 5th Panzer Army have not been caught though they have suffered heavily. Hitler may be tempted to employ them elsewhere. Success in the SAAR might see a shift of forces though even Hitler can hardly take the risk of having the threatened area in front
of the RUHR bare of armored reserves. He might try once more to get AACHEN frontally. His main strategic object has failed and at the moment of its complete failure he has been struck at in the East. Military strategy argues now a more cautious policy, but it remains to be seen whether Hitler or the Generals win.