CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
5 February 1968

INTELLIGENCE MEMORANDUM

The Situation in South Vietnam No. 16
(As of 12:30 P.M., EST)

The Viet Cong appear to be maintaining strong pressure against government security installations in the Saigon area, notwithstanding the initiation of a massive allied clearing operation throughout the entire city. There have been no further indications of an imminent large-scale Communist offensive against the capital.

Heavy fighting continues for the sixth consecutive day in Hue, while to the north, US forces have reported three major contacts with battalion-size Communist forces near Quang Tri City. Elsewhere in I Corps, the military situation remains relatively quiescent. No further significant North Vietnamese initiatives have been reported against the US combat base at Khe Sanh.

In central Vietnam, allied forces appear to have stabilized the security situation in the troubled provincial capitals of Kontum, Pleiku, and Ban Me Thuot, although the cities of Tuy Hoa and Dalat are continuing to experience significant enemy pressure.

While the eleven provinces of III Corps remain generally quiet, Viet Cong forces in the delta continue to pose a major threat to a number of important population centers and government military installations.
The Saigon Area

1. There are unconfirmed press reports that an estimated 400 Communist attackers early today overran a police substation in Saigon and drove police out of a nearby precinct headquarters which they had set ablaze. The Saigon police reportedly abandoned their 8th Precinct Headquarters in the southern (Cholon) sector of the capital and withdrew northward toward the center of the city.

2. Official reporting from the field has confirmed additional small-scale Viet Cong harassing attacks against Saigon municipal police units and installations in the central residential area's 3rd Precinct and in the 6th and 7th Precincts in Cholon.

3. Viet Cong elements thus far contacted in the Saigon attacks have been described as wearing a variety of outfits, ranging from Buddhist robes and civilian attire to ARVN, Regional Force, Chieu Hoi, and jungle green uniforms.

4. Meanwhile, an 18-battalion ARVN task force, supported by National Police units, has begun a massive house-to-house search of the entire capital city. US troops have been deployed around the perimeter of Saigon to screen the ARVN security sweep within the city proper.

5. There was reported to be an abundant supply of rice and bread in the shops of Saigon and Cholon as of 4 February. Some merchants, however, are apparently not selling their rice, probably in the expectation that prices will continue to soar. It is estimated that the Saigon populace can endure to the 9th or 11th of February without an inflow of food.

I Corps

6. Action here continues to be centered in the northern provinces. US forces reported three major contacts—each with an enemy battalion—near Quang Tri on 5 February. It appears the Communists were routed in two of the contacts, north and east of the
city. No results are available on the third. US observers report morale in Quang Tri is poor. Prominent Vietnamese officials, including the province chief, are apparently moving their families out of the city.

7. Elsewhere, there have been no major changes reported since the 7:00 A.M. Sitrep. Unconfirmed press reports indicate US Marine progress in Hue on 5 February continued to be slow in bitter street fighting against determined Communist forces.

II Corps

8. In the western highlands, allied reaction forces continue to press sweeping operations against enemy concentrations near the provincial capitals of Kontum, Pleiku and Ban Me Thuot. No major developments have been reported since the 7:00 A.M. Sitrep. Along the coast, Tuy Hoa was again attacked by about a battalion of Viet Cong during the day of 5 February according to press reports. The mountain resort city of Dalat is also said to be under renewed enemy pressure.

III Corps

9. American observers in the area report no new outbreaks of Communist activity as of the early evening of 5 February. Enemy forces still pose a threat to some provincial capitals including An Loc and Phu Cuong.

IV Corps

10. The Viet Cong offensive seems to have abated somewhat during 5 February in the Delta provinces. However, substantial Communist forces remain in the immediate vicinity of some administrative and population centers and US observers on the scene expect renewed attacks at My Tho, Tra Vinh and Rach Gia. Last night, an enemy battalion attacked Go Cong and VC gunners shelled installations near Can Tho. Both areas were quiet by daybreak. Elsewhere, there was sporadic sniper fire in several cities and scattered resistance around the outskirts. Although much of the city has been ravaged, Vinh Long now appears to be firmly in friendly hands.
Status of Forces

11. Although the Communist Tet offensive appears to have lost a measure of its countrywide momentum, substantial enemy forces still threaten population centers and allied positions in some parts of Vietnam. Available evidence places significant concentrations of enemy troops near Quang Tri City, Da Nang, and Quang Ngai City in the northern provinces; Dak To, Kontum and Pleiku in the western highlands; in the III Corps provinces of Binh Duong, Binh Long and Binh Hoa; and in the northeastern provinces of the Delta. Enemy dispositions in the Saigon area are unclear. And enemy strength in the Khe Sanh/DMZ area remains substantial.

12. Should the Communists elect to initiate a fresh round of major attacks, these are likely to be focused on the areas mentioned above.