2. **Communists may launch strong local attacks in Korea during negotiations:**

   25 July 51

   The enemy may launch one or more strong local attacks prior to the completion of armistice negotiations. The advantages of local successes would be the seizure of important terrain objectives and the improvement of troop morale. The high ground south of the Pyonggang-Kumhwa-Chorwon triangle is of sufficient importance to warrant a limited attack.
Comment: The "Iron Triangle," with its important road net and forward supply positions, was utilized by the Communists as a base of operations in the spring offensives. Recent eastward displacement of Chinese Communist forces and the relief of front line units in the central sector have put a concentration of fresh troops in position to undertake such a limited attack.

3. Possible preparations in Peiping for an international conference:

24 July 51

the Central Committee of the Chinese Communist Party has been ordered to move its offices from the former US Embassy compound in Peiping, and orders have been issued for the removal of the anti-American posters that all shops had previously been required to display. These developments point to the "possibility of some understanding" between the Peiping regime and the US, or to preparations for holding an "international conference" in Peiping.

Comment: Neither of these developments has been confirmed by other sources. Communist propaganda has provided some basis for the speculation that the Chinese Communists may propose a conference at Peiping on various Far Eastern problems. Recent Chinese Communist pronouncements, however, have provided no indication of a fundamental change in Peiping's hostility toward the US and fidelity to the USSR.