ISRAELI ANNEXING OF NEW CITY SEEN

Tel Aviv Source Predicts That Jerusalem Move Will Be Made in Two Weeks

Tel Aviv, Israel, Aug. 11.—(AP)—Sources close to the Israeli cabinet predicted today the New City of Jerusalem will be annexed to Israel within two weeks.

The informant said a decision to annex the Jewish-held areas of the Holy City already had been taken by the cabinet in a secret session.

Count Folke Bernadotte, the U.N. mediator, was reliably reported to have messaged the Israeli government to evacuate a strategic hill overlooking the Ramallah Road or face possible charges before the Security Council of violating the truce.

The hill, known as 312, controls the road the Arabs need to supply their garrison at Latrun, midway on the Jewish supply route to Tel Aviv. The Jews will not accede to the request, reliable informants said.

With annexation of the Jewish areas and simultaneous annexation of a corridor between Tel Aviv and Jerusalem, the Jews then are expected to propose demilitarization of the Arab-held old city.

"This," the informant said, "gives Bernadotte his aim of protecting the holy places, all of which are inside the Walled (Old) City."

Residents of Jerusalem went to work again today in an atmosphere of semi-truce after a night of unofficial and undeclared war which raged from midnight to dawn.

The biggest battle since the U.N. ordered cease fire went into effect came despite a warning from Bernadotte yesterday that he and his observers were going to get "tough" in order to halt the shooting.

In Rhodes, Bernadotte said he had ordered Jews and Arabs not to return any fire in Jerusalem after 6 a.m. (Greenwich Mean Time) (2 a.m., Eastern Daylight Time) Aug. 13. "The Arabs have accepted the order but so far I have received no reply from the Jews," Bernadotte said.