

DAILY PAKISTAN WATCH

19 June 2026

Security

- ◆ **Pakistan, Ghana to Enhance Military Ties** — Pakistan and Ghana have agreed to deepen **military-to-military cooperation**, focusing on **joint training, counter-terrorism, and defence production**, according to the ISPR. The understanding came during Ghana's **Chief of Defence Staff Lt Gen William Agyapong's** meeting with **Field Marshal Syed Asim Munir** at GHQ, Rawalpindi. The visit included a guard of honour by a Tri-Services contingent. Lt Gen Agyapong praised Pakistan's armed forces for their professionalism and role in regional stability. Later, Ghana's National Security Coordinator Abdul Razak Osman also met Pakistan's naval and air chiefs in Islamabad. (*The Express Tribune*, [19 June 2026](#))
- ◆ **Court Charges 55 TLP Activists** — An anti-terrorism court in Lahore on Thursday indicted 55 workers of the proscribed Tehreek-e-Labbaik Pakistan (TLP) over murder, attacks on police and arson during violent **Shahdara protests**. **Charges were framed; the accused pleaded not guilty and will contest the case**. The prosecution said the challan had been submitted by Shahdara police. ATC Judge Shahid Sikandar summoned prosecution witnesses to record statements and adjourned proceedings until June 24. **The court has set a timetable for witness testimony as the trial proceeds**. (*The Express Tribune*, [19 June 2026](#))
- ◆ **Pakistan's Terrorism Challenge** — Writing in *The Express Tribune*, **Dr Syed Akhtar Ali Shah**, former Secretary Home & Tribal Affairs and retired IG, warns that **2026 has seen a sharp rise in terrorism incidents**, reversing earlier gains. He highlights TTP and ISKP threats in Khyber-Pakhtunkhwa, separatist militancy in Balochistan, and "the nexus between these terrorist outfits and the Afghan Taliban". Shah stresses that extremist mindsets, governance failures and digital radicalisation fuel militancy. He urges reforms in policing, intelligence, border management, education and social media monitoring, anchored in rule of law. (*The Express Tribune*, [19 June 2026](#))
- ◆ **A New Security Architecture** — In *The News*, former ambassador **Asif Durrani** reflects on the Iran-US peace agreement announced by PM Shehbaz Sharif as a breakthrough that could reshape the Middle East. He cautions against spoilers, noting Israel's rejection of the deal, but stresses its potential to build an **inclusive regional security framework**. Durrani highlights Pakistan's unique credibility with both Tehran and Washington, crediting its diplomats' role in mediation. He urges Islamabad to seize the moment to promote wider cooperation among regional powers, turning crisis management into durable peace. (*The News*, [19 June 2026](#))
- ◆ **US Policy Recalibrates South Asia** — In *Daily Times*, **Dure Akram** analyses Washington's surprise decision to rename **Indo-Pacific Command back to Pacific Command (PACOM)**. Officially framed as honouring history, the move signals a strategic rethink. Analysts suggest it reflects a **less hawkish, more transactional approach toward China under Trump's second term**, potentially **unsettling India**, which saw "Indo-Pacific" as recognition of its rise. The reversal comes amid strained US-India ties, revived trade tensions, fallout from the Iran war, and last year's Pakistan-

India clash that reinserted Islamabad into Washington's crisis-management frame. (*Daily Times*, [19 June 2026](#))

Economy

- ◆ **Foreign Firms Repatriate \$2b Profits** — Multinational companies transferred **\$2.0007 billion in profits and dividends** abroad during July–April FY26, up 8.66% from last year, according to SBP data. Of this, \$1.92 billion was under FDI and \$80.7 million under FPI. **UK investors led with \$556.4m, followed by China at \$439.5m**, reflecting strong returns in energy and infrastructure. The power sector recorded \$478.2m outflows, while financial firms repatriated \$523.2m. Analysts said easing forex constraints enabled freer transfers, signalling improved investor confidence. (*The Express Tribune*, [19 June 2026](#))
- ◆ **Pakistan Eyes Deeper Agri Ties with Germany** — Federal Minister **Rana Tanveer Hussain** met German Ambassador **Ina Lepel** to explore cooperation in agriculture, livestock, food security, research and technology transfer. Hussain noted agriculture contributes nearly **25% to Pakistan's GDP**, but “low crop yields remain a major challenge”. He highlighted livestock's 60% share of output and proposed collaboration in genetics, feed and vaccines. Pakistan's first biotechnology policy was unveiled, with Lepel welcoming the initiative and confirming German investment interest. **Joint ventures and SPS compliance were emphasised for market access.** (*The Express Tribune*, [19 June 2026](#))
- ◆ **Pakistan's Forex Reserves Edge Higher** — The State Bank of Pakistan reported **total liquid reserves rising \$70m to \$22.742b** in the week ending 12 June 2026. SBP holdings stood at \$17.221b, while commercial banks' reserves reached \$5.521b. Import cover improved slightly to 2.71 months. The rupee closed steady at **278.27 per dollar**, appreciating 0.01%. Meanwhile, gold prices fell sharply, dropping **Rs2,300 per tola to Rs452,963**, pressured by hawkish US Federal Reserve signals and a US–Iran ceasefire easing inflation concerns. (*The Express Tribune*, [19 June 2026](#))
- ◆ **Sindh's Deficit Budget** — Chief Minister **Murad Ali Shah** has unveiled a **Rs3.56 trillion budget for FY2026-27**, balancing fiscal discipline with public relief. The budget, shaped by global turmoil after the Iran war, offers **no new taxes and a 7% rise in salaries and pensions**, but projects a **Rs242 billion deficit**. Development spending has been cut by 30%, raising concerns about long-term growth. Editorial notes Karachi and urban Sindh may feel sidelined, though initiatives like the Sindh International Financial Centre and Keti Bandar hub show forward thinking. (*The Express Tribune*, [19 June 2026](#))
- ◆ **China Tops Pakistan's FDI Inflows** — Latest SBP data shows **China remained Pakistan's largest source of foreign direct investment in May 2026**, with net inflows of **\$79.3m**, accounting for nearly 37% of the total. Gross FDI inflows stood at \$295.1m, while outflows reached \$80.8m, leaving net inflows of \$214.3m. Other major investors included the UAE (\$50.5m), Hong Kong (\$27.1m), Switzerland (\$17.4m) and the UK (\$14.8m). Over July–May FY2025-26, China retained top position with **\$819m net FDI**, mainly in power, finance and transport. (*The Nation*, [19 June 2026](#))
- ◆ **Pakistan's Savings Crisis** — In *Business Recorder*, the editorial highlights the collapse of Pakistan's domestic savings rate to a **three-decade low of 6.4% of GDP**, down from 17.4% in 1992. With

households spending 94% of earnings on essentials and inflation eroding deposit returns, savings have shifted to cash, gold and real estate. High taxes on interest income further discourage formal saving. PIDE urges a **National Savings Mobilisation Package**, including Sukuk, pension schemes, regulated gold funds, tax incentives and protections for small savers. The editorial warns time is running out to rebuild resilience. (*Business Recorder*, [19 June 2026](#))

Foreign Policy

- ◆ **From Wild Fantasy to Reality** — In just ten weeks, Pakistan brokered an unprecedented peace accord between **Iran and the United States**, culminating in the signing of the **Islamabad Memorandum of Understanding**. Prime Minister Shehbaz Sharif endorsed the deal after Presidents Donald Trump and Masoud Pezeshkian signed digitally. The agreement eased tensions, lifted US naval blockades, and reopened the Strait of Hormuz, stabilising global markets. Diplomats report **jubilation in Iran**, with ordinary citizens expressing gratitude to Pakistan. The breakthrough marks one of Islamabad’s most significant foreign policy achievements in decades. (*The Express Tribune*, [19 June 2026](#))
- ◆ **New Delhi Rattled by Brussels Water Event** — Pakistan accused India of trying to derail an international seminar in Brussels on **transboundary water governance**, organised with the Centre for European Policy Studies. The event, “*Transboundary Water Resources: A Weaponised Global Common*”, drew EU officials, diplomats, academics and journalists, spotlighting India’s suspension of the **Indus Waters Treaty (IWT)**. Diplomatic sources alleged India attempted disruption through social media campaigns, pressure on panellists, and fake registrations. Pakistan’s Foreign Minister Ishaq Dar warned that “**water must never be used as an instrument of coercion**”, citing Indian reservoir expansion and diversion projects. Officials said India’s aggressive response only amplified Pakistan’s message, drawing greater international attention to the risks of **weaponising shared water resources**. (*The Express Tribune*, [19 June 2026](#))
- ◆ **Massoud’s Inclusion in EU Talks Angers Taliban** — European officials are reportedly engaging with two Afghan-linked committees on migrant returns, including one involving **Ahmad Massoud**, leader of the National Resistance Front. The move signals Europe may be considering alternative interlocutors alongside the Taliban administration. Afghanistan’s Taliban-led government had formed a seven-member committee to negotiate the repatriation of over **27,000 undocumented Afghan migrants**. Diplomatic sources say Taliban authorities were surprised to learn Massoud had also been invited, with contacts in Germany confirming his participation. (*The Express Tribune*, [19 June 2026](#))
- ◆ **Pakistan and Iran Push Border SEZ** — Islamabad and Tehran have agreed to **fast-track the Rimdan-Gabd border Special Economic Zone (SEZ)** and renewed their \$10 billion trade target following the Iran-US peace accord. With US sanctions expected to ease, Pakistan offers Iran access to ports including Gwadar, while Iran promises enhanced connectivity to Central Asia. Federal Minister **Qaiser Ahmed Sheikh** and Ambassador **Reza Amiri Moghadam** discussed operationalisation, logistics and stuck consignments. “**In challenging times, true friends are recognised**,” said Iranian Commercial Attaché **Murad Nemati**, praising Pakistan’s solidarity. (*The Express Tribune*, [19 June 2026](#))

- ◆ **Dar Urges UNSC Action on Indus Treaty** — Deputy PM and Foreign Minister **Ishaq Dar** has written to the UN Security Council president, warning of India's "**brazen violations**" of the **Indus Waters Treaty** that threaten Pakistan's water security and regional stability. Delivered by Ambassador **Asim Iftikhar Ahmad** to Ambassador **Leonor Zalabata Torres**, the letter highlights illegal Indian projects on the Chenab River aimed at diversion. Dar cautioned India seeks "hydro-hegemony" through 17 projects, while Pakistan insists any attempt to alter flows would be an "act of war." (*Dawn*, [19 June 2026](#))
- ◆ **Geography Is Back. Is Pakistan Ready?** — In *Daily Times*, financial expert **Jawad Saleem** argues that global crises have revived geography's importance, with supply chains, energy routes and maritime corridors back at the centre of economic thinking. He notes Pakistan's **strategic location at the crossroads of South Asia, Central Asia, the Middle East and key sea lanes** is its greatest economic asset. While stabilisation has improved reserves and inflation, Saleem warns Pakistan remains more stable than productive. He urges investment in **connectivity, logistics, energy security and industrial competitiveness** to monetise geography into prosperity. (*Daily Times*, [19 June 2026](#))

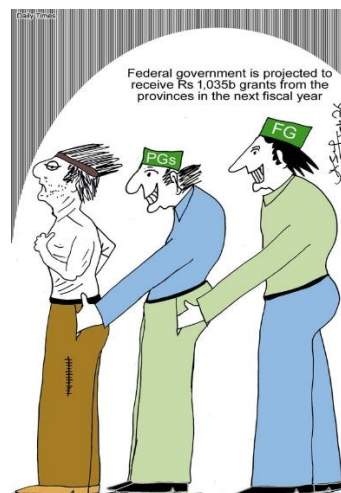
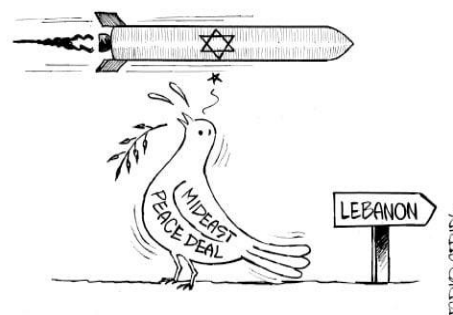
Politics, Culture, Etc.

- ◆ **Bilawal Rejects Street Agitation, Calls for Dialogue** — PPP Chairman **Bilawal Bhutto-Zardari** urged parliamentary consensus over street protests amid unrest in 'Azad' Jammu and Kashmir, stressing that "protesters cannot damage Pakistan or the Kashmir cause." Speaking in the National Assembly, he reaffirmed Pakistan's stance on Kashmir, defended refugee representation, and proposed interim parliamentary seats for Gilgit-Baltistan until a constitutional settlement. On fiscal matters, he welcomed assurances that provinces' NFC shares remain protected despite frozen development allocations, calling for **long-term growth-driven planning**. Bilawal also defended BISP as a "**national security programme**" vital to counter extremism. (*The Express Tribune*, [19 June 2026](#))
- ◆ **PPPP, IPP Agree on Joint Strategy for G-B Stability** — The **Pakistan Peoples Party Parliamentarians (PPPP)** and **Istehkam-e-Pakistan Party (IPP)** have pledged to cooperate in Gilgit-Baltistan, stressing that **mutual consultation and consensus** are essential for political stability, governance, and meeting public expectations. At a meeting in Gilgit, leaders discussed the region's political situation, government formation, and public welfare priorities. They agreed all major matters will be advanced jointly through central leadership consensus. Both parties reaffirmed their commitment to **development, public service, and stability** in G-B. (*The Express Tribune*, [19 June 2026](#))
- ◆ **AJK Sanctions 150 JAAC Men** — The 'Azad' Jammu and Kashmir (AJK) government has placed **150 members of the banned Joint Awami Action Committee (JAAC)** on the **Fourth Schedule** of the AJK Anti-Terrorism Act, according to 10 notifications issued Thursday by the Home Department. Officials said the list includes four top ringleaders and others against whom substantial evidence of violent activity exists. The Fourth Schedule designates proscribed or suspected persons under Section 16(1) of the Act. (*The Express Tribune*, [19 June 2026](#))
- ◆ **Children at Work Crisis** — Pakistan has **over 8.6 million children in labour**, including **more than 6.6 million in hazardous work** that endangers their health and development, a national report by

the NCHR found. NCHR Chairperson **Rabiya Javeri Agha** noted “Pakistan’s last comprehensive child labour survey was conducted in 1996”. The study shows Punjab bears the burden and identifies poverty, low parental education and family-based work as key drivers. Federal Minister **Azam Nazeer Tarar** warned the problem “could not be addressed by a single ministry”. (*The Express Tribune*, [19 June 2026](#))

- ◆ **Poll Schedule Adjusted in AJK** — The ‘Azad’ Jammu and Kashmir Election Commission has revised arrangements for the upcoming legislative assembly elections, while **reaffirming polling will be held on 27 July**. Candidates from District Poonch (Rawalakot) must now submit nomination papers directly to returning officers in Rawalakot, where scrutiny will also take place. **The final date for submission has been set as 23 June 2026, 5pm**, with an extension granted on request. Officials said the changes were made for public convenience and candidate suggestions. (*The Express Tribune*, [19 June 2026](#))
- ◆ **Judicial Commission to Approve Evaluation Rules** — The Judicial Commission of Pakistan (JCP) meets today to finalise rules for **annual performance evaluation of high court judges**. A committee led by Justice **Aamir Farooq**, with Attorney General **Mansoor Awan**, Senator **Ali Zafar** and Pakistan Bar Council representative **Ahsan Bhoon**, drafted the *Judicial Commission of Pakistan (Judicial Performance Evaluation of High Court Judges) Rules, 2026*. Clauses 18–20 of Article 175A mandate structured standards, with reports to the Supreme Judicial Council in cases of inefficiency. **Each judge will be evaluated annually**. (*The Express Tribune*, [19 June 2026](#))
- ◆ **Kashmir Issue Stressed by Senate Deputy** — Meeting AJK representatives, **Deputy Chairman Senate Syedaal Khan** reaffirmed that “**Kashmir is the jugular vein of Pakistan**” and must be resolved under **UN Resolutions** in line with Kashmiri aspirations. He said all parties are united on self-determination and Pakistan will continue highlighting rights violations in Indian ‘Illegally Occupied’ Jammu and Kashmir. Khan also underscored urgent improvements in **health, education and forestry** for sustainable development in AJK, assuring coordinated efforts for welfare. He emphasised dialogue as the only sustainable solution to conflicts. (*The Nation*, [19 June 2026](#))
- ◆ **Water Security Stressed by Adviser** — Adviser to the PM **Rana Sanaullah** has urged urgent construction of **water reservoirs** to tackle future challenges and strengthen agriculture. He said dams would boost productivity and store water during floods, while warning that India’s reservoirs on the Chenab could reduce flows to Pakistan. He noted Pakistan has legal avenues to safeguard rights. Sanaullah also backed a **telemetry system for transparent distribution**, praised Pakistan’s mediatory role in US–Iran relations, and expressed confidence in free, fair AJK elections. (*The Nation*, [19 June 2026](#))
- ◆ **Budgets Show Apathy** — In *Dawn*, **Faisal Bari**, senior research fellow at IDEAS and associate professor at LUMS, argues that FY26-27 budgets prove “they don’t really care about us”. Despite severe inflation hurting fixed-income groups, little relief has been offered. **Education spending has dipped below 1% of GDP**, with universities underfunded and vanity projects prioritised over basic schooling. Health allocations remain even lower, leaving millions malnourished and unprotected. Bari laments that governance serves sectional interests, not citizens, warning this neglect undermines Pakistan’s future. (*Dawn*, [19 June 2026](#))

- ◆ **Arithmetic of Neglect** — In *Business Recorder*, **Mansoor Qaisar**, freelance journalist and communications specialist at PIDE, highlights Pakistan’s stark contradictions: **“It possesses nuclear weapons but cannot guarantee a child a functioning classroom.”** Public spending on education has collapsed to **0.8% of GDP**, with health at similar levels, totalling just 1.6% of national income. Despite modest gains in literacy and reduced out-of-school rates, stunting, poverty and poor mental health remain widespread. Qaisar stresses budgets are moral documents, warning that neglecting human development is a compounding failure. (*Business Recorder*, [19 June 2026](#))



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