

DAILY PAKISTAN WATCH

18-20 July 2026

Security

- ◆ **Joint Operation in Bannu Targets Militants** — Security forces and police continued an intelligence-based operation in Bannu for the third day, killing one terrorist attempting to plant an IED and detaining eight suspects. Led by DPO Captain (retd) Muhammad Furqan Bilal, the operation recovered weapons, motorcycles and a rickshaw linked to wanted militant Zargul alias “Uncle.” **Police reaffirmed their commitment to eliminating terrorism and protecting lives and property.** The ISPR recently reported 24 terrorists killed in Bannu amid a surge in militant attacks on police and civilians. (*Dawn*, [19 July 2026](#))

- ◆ **Three-Front Security Dilemma** — Maleeha Lodhi argues that **Pakistan now faces simultaneous threats from India, Afghanistan and internal unrest**, marking a dangerous escalation beyond its traditional two-front nightmare. She notes over 200 TTP attacks in KP and more than 100 BLA strikes in Balochistan in six months, while AJK is paralysed by violent protests. Lodhi warns that “*the arc of Pakistan’s security threats keeps expanding*” and stresses that coercion has deepened alienation. India’s nuclear posture and Afghanistan’s instability further compound the crisis, leaving Pakistan struggling to secure itself. (*Dawn*, [20 July 2026](#))

- ◆ **Kuwait Explores Expanded Defence Ties with Pakistan** — Pakistan is negotiating an expanded defence pact with Kuwait in exchange for energy cooperation and investment, according to sources familiar with the talks. Kuwait, which has faced heavy attacks from Iran this year, seeks a show of force similar to Pakistan’s pact with Saudi Arabia, including “**thousands of Pakistani troops on the ground, fighter jets, drones, an air defence system, and other defence-related facilities,**” a Pakistani official said. However, security sources stressed no combat troop deployment is under consideration at this stage. (*The News*, [18 July 2026](#))

- ◆ **24 Terrorists Eliminated in Bannu Operations** — Pakistan’s security forces killed 24 militants belonging to the banned Tehreek-i-Taliban Pakistan (TTP), referred to by authorities as “**Indian proxy Fitna Al-Khwarij,**” during extensive intelligence-based operations in Bannu district. The ISPR said the militants were involved in recent suicide bombings and attacks on police and civilians. Weapons and ammunition were recovered, and operations will continue to dismantle terror networks. “**Perpetrators of these heinous and cowardly acts will be brought to justice,**” the ISPR statement affirmed. (*The News*, [18 July 2026](#))

- ◆ **Pakistan Extends Airspace Ban on Indian Aircraft** — The Pakistan Airports Authority announced that the ban on Indian-registered aircraft, Indian airlines and aircraft leased by Indian operators using Pakistani airspace has been extended until **24 August 2026**. The restriction, first imposed on 23 April 2025, was set to expire on 24 July but has now been prolonged through a new Notice to Airmen. This marks the second extension in recent months, as Pakistan continues to enforce the airspace closure amid regional tensions. (*The News International*, [19 July 2026](#))

- ❖ **Illusions of Strength and Fragility of the State** — Security analyst Muhammad Amir Rana critiques Pakistan's power elite for their **“persistent unwillingness to reconcile optimism with actual sociological, political and economic indicators.”** He argues that elites draw inspiration from authoritarian models in China and Gulf monarchies, treating citizens as subjects while dismissing international concerns. Despite EU warnings on GSP-Plus compliance, Pakistan ranks **91st on the Fragile States Index** and tops the Global Terrorism Index. Rana warns that authoritarian illusions hinder democracy, leaving Pakistan aligned with failing regimes. (*Dawn*, [19 July 2026](#))
- ❖ **Drone Strike Kills Woman and Child** — In Ghotki district's Raunti area, **a woman and her daughter were killed when a small drone struck their thatched hut**, injuring two others. The family accused SHO Abdul Jabbar Mahar of involvement, with Molvi Chalo Shar insisting, *“I and my family members are innocent.”* SSP Muhammad Anwar Khaitran denied any police operation, while police blamed wanted bandits Rano Shar and Bakhat Ali Shar, alleging they were testing a drone. The incident has deepened local mistrust and raised questions over accountability. (*The Express Tribune*, [20 July 2026](#))
- ❖ **Border Clash in Kurram** — Security sources reported that **Pakistani forces launched a full-scale retaliatory response to unprovoked Afghan Taliban firing at border posts in Kurram**, using artillery and heavy weapons to destroy mortar positions and checkpoints. The Taliban were forced to abandon multiple posts and flee. Officials said the border remains under complete control and is being closely monitored. Islamabad has repeatedly urged Kabul to dismantle terrorist sanctuaries, but appeals have gone unheeded, with cross-border attacks continuing since Operation Ghazab lil-Haq began in February. (*Dawn*, [19 July 2026](#))
- ❖ **TTP Operations Continue:** On July 19, 2026 (4 Safar al-Muzaffar 1448 AH), Tehreek-e-Taliban Pakistan (TTP) executed a total of seven operations across three provinces: North Waziristan (4), South Waziristan (2), and Bajaur (1). The tactics utilized spanned rocket strikes, sniper fire, guerrilla warfare, grenade attacks, and a targeted capture. Notable incidents in North Waziristan included rocket and sniper strikes in the Mir Ali district, a guerrilla assault in Razmak, and a series of heavy attacks in the Shawal district that forced the evacuation of the Makki Sar fort and its defensive posts. In South Waziristan's Sararogha district, a grenade attack targeted a military post, while an operation in Sarwekai resulted in the capture of a wanted collaborator along with his vehicle. Lastly, a sniper attack on the Suri Post in Bajaur's Salarzai district resulted in one confirmed soldier fatality. Across the remaining operations, targeting checkpoints and security cameras, significant military casualties were reported as highly probable. (*Telegram*, [20 July 2026](#))

Operations Breakdown

District	Location	Operation Type	Reported Outcome / Damage
North Waziristan	Mir Ali (Epi Bypass)	Rocket attack	Potential military casualties
North Waziristan	Mir Ali (Epi Post)	Sniper attack	1 security camera destroyed; potential casualties
North Waziristan	Razmak (Kond Sar)	Guerrilla attack	1 security camera destroyed; potential casualties

District	Location	Operation Type	Reported Outcome / Damage
North Waziristan	Shawal (Makki Sar)	Central unit attacks	Evacuation of the fort and defensive posts
South Waziristan	Sararogha (Aryan Khola)	Hand grenade attack	Potential military casualties
South Waziristan	Sarwekai	Targeted capture	1 collaborator captured along with his vehicle
Bajaur	Salarzai (Mulla Saeed)	Sniper attack	1 soldier killed at Suri Post

Economy

- ◆ **Gwadar Emerges as Regional Trade Hub** — Commercial operations at Gwadar Port remain uninterrupted despite maritime tensions, with the Bangladesh-flagged vessel *M/V Jahan Brothers II* arriving from Singapore carrying over 53,000 tonnes of prime steel billets destined for the UAE. The cargo is being transshipped via Gwadar, highlighting growing international confidence in Pakistan's deep-sea port. **Gwadar Port Authority Chairman Noor-ul-Haq Baloch stated that “the continuation of port and commercial activities despite regional challenges demonstrates that Gwadar is establishing itself as a safe, reliable and efficient regional trade hub.”** (*Dawn*, [19 July 2026](#))
- ◆ **Aurangzeb's US Visit for Economic Talks** — Finance Minister Muhammad Aurangzeb arrived in Washington on Saturday evening for a three-day visit, where he will meet officials from the USTR, Exim Bank, DFC and IMF. Negotiations on a broader bilateral economic partnership resume Monday, with a focus on a potential trade agreement covering tariffs, market access and investment. **Diplomatic sources said the visit aims to expand trade and investment between the two countries.** Aurangzeb will also discuss financing for infrastructure and energy projects, alongside ongoing tariff and Section 301 investigations. (*Dawn*, [19 July 2026](#))
- ◆ **Pakistan Misses Financing Target Despite \$16.2bn Inflows** — Pakistan secured \$16.2 billion in foreign financing during FY26, including **\$1.7bn refinancing from China Development Bank** and \$953.74m from the Asian Development Bank in June alone. However, Islamabad fell short of its \$19.92bn target by \$3.72bn. Bilateral partners contributed \$1.355bn, with Saudi Arabia providing \$1.01bn mainly through the Saudi Oil Facility. Pakistan also raised \$1bn via Eurobond and Panda bond, \$3.049bn through Naya Pakistan Certificates, and \$3bn in Saudi time deposits. Adviser Khurram Shahzad clarified that net inflows stood at \$15.764bn. (*The News International*, [18 July 2026](#))
- ◆ **Pakistan and China Seal Landmark Pharma Deals** — Pakistani and Chinese firms signed **22 commercial agreements and 42 MoUs worth over \$1 billion** at the Pakistan-China Pharmaceutical and Healthcare B2B Investment Conference, paving the way for local production of vaccines, APIs, medical devices and advanced health technologies. Federal Health Minister Syed Mustafa Kamal hailed the outcome as a “landmark achievement” that will reduce dependence on imports and lower medicine costs. Agreements span biotechnology, clinical research and herbal medicines,

marking the largest strategic health partnership under CPEC Phase-II. (*The News International*, [19 July 2026](#))

- ◆ **Port Qasim Embarks on \$2 Billion Transformation** — Pakistan's second-largest commercial port is undergoing a **\$2 billion modernisation drive**, including a \$250 million dredging project to allow vessels with an **18-metre draft** to berth. Rear Admiral (retd) Moazzam Ilyas, Chairman Port Qasim Authority, said the expansion will significantly enhance cargo handling capacity. A railway link is being built to transport **Reko Diq mineral reserves**, with a \$150 million investment from the mining company. Integrated sea, rail and road networks, plus a multi-logistics park at Pipri, will reduce Karachi's freight traffic burden and align maritime trade with global standards. (*The Express Tribune*, [19 July 2026](#))
- ◆ **Trade Barriers Reflect Political Conflicts in South Asia** — Dr Ayub Mehar highlights that despite SAFTA and other frameworks, **South Asian mutual trade remains below 4% of global trade**, largely due to **non-tariff barriers (NTBs)** and political tensions, especially between India and Pakistan. He explains that NTBs include discriminatory licensing, customs delays, visa restrictions and quarantine requirements, often invisible and shifting over time. While India favours **Business-to-Business (B2B)** ties, expecting Pakistan to supply raw materials and import high-tech goods, Mehar argues Pakistan's best model is **Business-to-Consumer (B2C)**, given strong demand for Pakistani consumer products in India. (*Business Recorder*, [19 July 2026](#))
- ◆ **Provincial Budgets and Fiscal Consolidation Risks** — Dr Omer Javed highlights that Punjab's **current expenditure far exceeds development spending**, with revised FY26 figures showing Rs3 trillion against Rs1.3 trillion. Sindh's FY27 budget reflects a widening gap, where **current expenditure is 3.6 times development expenditure**. KPK's FY27 budget omits balance calculations, though estimates suggest a Rs48 billion deficit. Javed warns that fiscal consolidation, aimed at narrowing deficits, risks undermining growth and resilience. Citing a Vienna Institute study, he notes "**fiscal consolidation affects political-instability outcomes mostly in the short run.**" (*Business Recorder*, [19 July 2026](#))
- ◆ **Afghanistan Transit Trade Collapses Amid Shift to Iran** — Afghanistan-Pakistan transit trade has plunged to **11,592 containers worth \$367m in FY26**, down from nearly 89,000 containers valued at \$5bn before the Taliban's return. Analysts note Kabul had already begun diverting trade to Iran and Central Asia before Pakistan's October 2025 border closure. Reverse transit fell even more sharply, collapsing from **\$454m in FY25 to just \$7m in FY26**. The World Bank warns reliance on longer, costlier routes has raised import prices, inflation and unemployment, hitting Afghan consumers and border livelihoods. (*Dawn*, [19 July 2026](#))
- ◆ **Saudi Financial Backing and Pakistan's Autonomy** — Dr Ikramul Haq writes that **Saudi Arabia's decision to replace UAE deposits under the IMF programme provides Pakistan with valuable breathing space but is no substitute for institutional reform**. He cautions that temporary liquidity should not be confused with solvency, noting that "*financial breathing space is valuable, but it is no substitute for institutional reform.*" While Riyadh's \$8 billion support stabilises reserves, Haq stresses that **economic sovereignty cannot be borrowed, refinanced or rolled over indefinitely** and must be earned through governance and reform. (*The Express Tribune*, [20 July 2026](#))

Foreign Policy

- ◆ **Strengthening Canada–Pakistan Ties through Diplomacy** — Canadian Foreign Minister Anita Anand will arrive in Pakistan on Monday for her maiden official visit since assuming office, at the invitation of Deputy Prime Minister and Foreign Minister Ishaq Dar. She will meet Prime Minister Shehbaz Sharif and hold talks covering the full spectrum of bilateral relations. **“The discussions will focus on strengthening cooperation in trade and investment, education, and people-to-people exchanges,”** the Ministry of Foreign Affairs said. Canada noted that bilateral trade reached \$1.2 billion in 2025, underpinned by extensive diaspora links. (*The News International*, [19 July 2026](#))

- ◆ **Pakistan’s Lobbying Drive in Washington** — Pakistan has signed a **two-year, \$1.2m lobbying contract** with Ervin Graves Strategy Group to push for enhanced defence cooperation and minerals investment in the US. The agreement, filed under the Foreign Agents Registration Act, directs engagement with Congress, Pentagon and NSC officials. Former ambassador Maleeha Lodhi cautioned: **“How long the dramatic improvement in relations will last is uncertain given the history of ups and downs.”** Analysts note the focus on critical minerals and counterterrorism aligns with Trump administration priorities. (*The News*, [18 July 2026](#))

- ◆ **No Exit Clause in Indus Waters Treaty** — Dr Sharmila Faruqi argues that India’s suspension of the 1960 Indus Waters Treaty is legally indefensible, noting **“Article XII is unambiguous: it can be modified or terminated only by mutual agreement”** and that the term ‘abeyance’ has no basis in the treaty. She highlights India’s unilateral actions on reservoirs, the World Bank’s overlooked role, and the grave risks to Pakistan’s agriculture and economy. Political leaders across parties have united, warning against water weaponisation and urging legal, diplomatic and constitutional strategies to defend Pakistan’s rights. (*The News*, [18 July 2026](#))

- ◆ **Diplomatic Tightrope Between Pakistan and Japan** — Pakistan lodged a quiet protest after Japanese Prime Minister Sanae Takaichi visited India, where a joint statement condemned **“cross-border terrorism from Pakistan”**, a departure from Tokyo’s traditionally neutral stance. Earlier, Japan had objected to a Pakistan-China statement referencing World War II, which Tokyo read as echoing Beijing’s criticism of its defence posture. While Japan remains a major development partner, its Indo-Pacific strategy increasingly aligns with India and the US, forcing Islamabad to balance ties with both Tokyo and Beijing. (*The Express Tribune*, [19 July 2026](#))

- ◆ **Security Forces Avert Catastrophe in Wana** — Security forces foiled a major suicide attack in South Waziristan’s Wana by destroying an **“explosive-laden vehicle intended for a suicide attack”**, killing one terrorist and injuring five others during an intelligence-based operation. Interior Minister Mohsin Naqvi praised the forces, declaring **“the brave soldiers... have crushed the enemy’s intentions to dust.”** Separately, the CTD killed Khalid alias Commander, a wanted militant of the banned TTP’s Zakir Kochi Karwan group, recovering arms and a smartphone. Both operations prevented significant civilian casualties. (*The Express Tribune*, [19 July 2026](#))

- ◆ **UN Concerns Over India’s Electoral Practices** — The editorial notes that allegations of discrimination against India’s Muslim minority have gained international traction after **UN human rights experts raised concerns** about voter roll revisions in West Bengal, where millions of names,

disproportionately Muslim, were deleted. The experts warned that AI-based systems risk reinforcing bias, while official rhetoric such as “**Detect, Delete and Deport**” conflates citizens with immigrants. The piece stresses that India’s democratic legitimacy requires equal citizenship and impartial institutions, urging accountability and transparency. Ignoring UN warnings, it cautions, will deepen global concerns. (*Business Recorder*, [19 July 2026](#))

Politics, Culture, Etc.

- ◆ **Bilawal Eyes Stronger PPP Performance in AJK** — PPP Chairman Bilawal Bhutto-Zardari, addressing a rally in Kotli ahead of the July 27 elections, urged supporters to deliver “**better results**” than before, expressing hope of forming a government in Azad Jammu and Kashmir. He emphasised employment opportunities for youth, provisional representation in Islamabad, and the defence of Kashmiris’ ownership rights. Criticising a murder case against a PPP candidate, he pledged self-government and reconciliation. “**The PPP wants only Kashmir to decide for Kashmir,**” Bilawal declared, invoking his mother Benazir Bhutto’s legacy. (*Dawn*, [19 July 2026](#))
- ◆ **UN Rights Chief Calls for Probe in AJK** — The United Nations High Commissioner for Human Rights, Volker Turk, has urged “**prompt, thorough and impartial investigations into all deaths that have occurred due to the unrest, both amongst protesters and members of security forces,**” ahead of ‘Azad’ Jammu and Kashmir’s regional elections. His spokesman, Jeremy Laurence, told reporters in Geneva that Turk also appealed for calm in the region, where dozens of deaths have been reported amid ongoing tensions. (*The News*, [18 July 2026](#))
- ◆ **NCCIA Summons Imran Khan’s Sister over ‘Anti-State’ Posts** — The National Cyber Crime Investigation Agency has summoned Noreen Khan, sister of PTI founder Imran Khan, under Section 160 of the CrPC for allegedly spreading “**false, offensive and inflammatory social media content**” defaming state institutions. She is directed to appear in Islamabad on 20 July. Experts criticised her remarks about India, Prime Minister Modi and Israel, warning they reinforce hostile narratives. “**This damning statement reflects the truth of the so-called narrative of the PTI... prioritising personal interests over national integrity,**” analysts maintained. (*The News*, [19 July 2026](#))
- ◆ **Historic Resolution Remembered on Kashmir Accession Day** — The 78th *Youm-e-Ilhaq-e-Pakistan* was observed nationwide, commemorating the **19 July 1947 resolution** by the All-Jammu and Kashmir Muslim Conference for accession to Pakistan. Rallies, seminars and flag displays reaffirmed support for Kashmiris’ right to self-determination. President Asif Ali Zardari stressed Pakistan had “**consistently advocated a peaceful and just resolution**” in line with UN Security Council resolutions, while Prime Minister Shehbaz Sharif called the resolution a “**defining moment in the political history of the region**” and pledged unwavering diplomatic, political and moral support. (*The Express Tribune*, [20 July 2026](#))
- ◆ **Minister’s Remarks Spark Kashmir Row** — Pakistan Peoples Party Chairman Bilawal Bhutto Zardari said a federal minister who “**insulted**” Kashmiris remains in the cabinet, calling it an **affront to the people of Kashmir**. Addressing a rally in Kotli, he warned, “*Do not think that we will forget you. Let the elections take place, and I will see you myself.*” Bilawal demanded the restoration of

internet access, an end to collective punishment, and the establishment of a **Truth and Reconciliation Commission**. Adviser Rana Sanaullah criticised Bilawal's tone, saying his speeches could worsen tensions. (*The News International*, [20 July 2026](#))

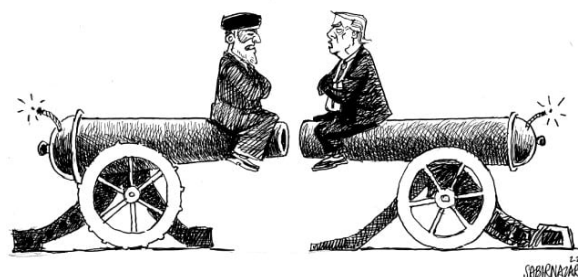
◆ **Balochistan–Sindh Water Accord** — A high-level delegation from Balochistan, led by Irrigation Minister Mir Muhammad Sadiq Umrani with Saleem Ahmed Khosa and Muhammad Khan Lehri, secured an agreement in Karachi to **increase water supplies to Balochistan**, offering relief to thousands of farmers. Umrani stressed, “*Our farmers are facing a catastrophic situation with their crops on the line.*” Sindh Irrigation Minister Jam Khan Shoro pledged cooperation, promising **9,000 cusecs through the Pat Feeder Canal under the 1991 Water Accord**. The deal follows weeks of protests over severe shortages. (*The Express Tribune*, [20 July 2026](#))

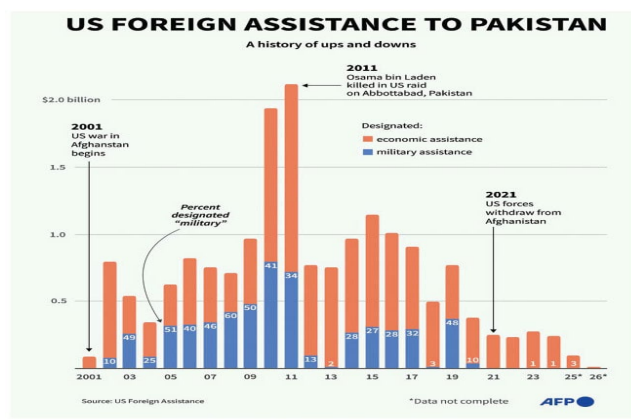
◆ **Satluj Ban and Khalra's Legacy** — Adeela Naureen and Waqar K Kauravi recount how **human rights activist Jaswant Singh Khalra was abducted and murdered in 1995 after exposing thousands of illegal cremations and extrajudicial killings in Punjab**. His story forms the basis of the banned film *Satluj*, starring Diljit Dosanjh, which the Indian censor board blocked citing “national security.” Political leaders like Sukhbir Singh Badal condemned the ban as “*an assault on our collective memory, truth, and freedom of expression.*” The controversy reignites debates on censorship, encounters, and artistic freedom. (*The Express Tribune*, [20 July 2026](#))

FUEL PRICES WILL CHANGE DAILY
AS DISRUPTIONS LOOM



TRUMP IS STILL 'OPEN TO DIPLOMACY' WITH IRAN, WHITE HOUSE PRESS SECRETARY SAYS





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