



For Better Understanding on  
**China–Pakistan and  
CPEC**  
Gleanings from the  
National & Chinese Press

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**January 16-31, 2026**

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**January 21, 2026**

**Pakistan Observer**

## **BRI's Latin American Prospects and a Reality Check**

*Dr Mehmood Ul Hassan Khan*

Chinese policymakers have shown strong commitment to further developing, diversifying and expanding the Belt and Road Initiative (BRI) through its 15th five-year plan.

However, due to drastic changes in global geopolitics, its pace, progress and productivity are expected to slow down, particularly in Latin America during 2026.

The US attack on Venezuela and the abduction of its President, Nicolás Maduro, was a clear signal to China to stay cautious in Latin America, at least for the near term. China's initiatives—from satellite tracking stations in Argentina and port development in Peru to economic support for Venezuela—have long been viewed as irritants by successive US Administrations, including that of former President Trump. International experts suggest that the US intervention aimed, in part, to counter China's socio-economic influence and to secure smooth access to Venezuela's cheap oil.

While the attack may temporarily cool Latin American engagement with China, the long-term foundation of Sino-Latin trade remains strong. Bilateral trade between Latin America and China has more than doubled in the last decade, growing from \$235.9 billion in 2015 to \$518.47 billion in 2024 and could exceed \$700 billion by 2035. China has become the second-largest trading partner of the region and the largest for countries such as Brazil and Argentina. Chinese financial institutions have provided an estimated \$303 billion in financing across Latin America between 2000 and 2023, far exceeding US lending, according to the AidData research institute.

At the 2025 China-CELAC forum, which brings together 33 countries in Latin America and the Caribbean, President Xi Jinping announced a new credit line exceeding \$9 billion for regional cooperation projects. Denominated in the Chinese Yuan, these loans reflect Beijing's efforts to reduce reliance on the US dollar and expand its financial influence.

The US, lacking China's extensive industrial chain, cannot easily replace China as a source of demand for Latin American exports. Attempting to do so could trigger a severe economic shock and potentially a wave of migration. Meanwhile, China remains the largest investor in Latin America, encouraging governments to pursue quality development and trans-regional connectivity. Investments range from Bolivia's lithium sector and Brazil's green transition—where 90% of solar panels are imported from China—to port development in Peru, highlighting stable and sustainable bilateral ties. In contrast, US strategies primarily help private corporations extract rent from natural monopolies rather than fostering public welfare.

Interestingly, even politically right-wing and pro-US governments have maintained financial and commercial relations with China, illustrating the universal value of BRI investments in poverty alleviation, job creation and women's empowerment. Argentina's President Javier Milei renewed a \$5 billion currency swap with China, while former Brazilian President Jair

Bolsonaro maintained Brazilian agricultural exports, showing that political ideology alone cannot sever economic ties with China without harming domestic interests.

The abduction of Maduro does not necessarily imply the collapse of the Venezuelan government or the Bolivarian process. The United Socialist Party of Venezuela retains a strong social base, a loyal military and armed popular militias. It remains unclear how the Trump administration could seize control of Venezuela's oil infrastructure without being drawn into a costly guerrilla conflict. Nonetheless, the US action has delivered a blow to BRI engagement in Latin America, though it is premature to declare the initiative in the region derailed.

In the short term, regional governments may reconsider ongoing and future projects due to US threats. However, Latin America's trade with China, which forms the backbone of BRI engagement, will be far harder to adjust. China's influence in Venezuela has been effectively marginalized by the current US military operation and Chinese engagement now seems to require tacit approval from Washington for loans, infrastructure projects, joint ventures in oil production and imports of commodities such as oil and gold.

Additionally, the US may continue to push Chinese companies away from critical port operations near the Panama Canal, the key waterway connecting the Atlantic and Pacific Oceans. The starkness of the US-China rivalry in Latin America is further highlighted by China's third policy paper on the region and the US national security strategy, both reflecting distinct and conflicting socio-economic and geopolitical interests. China's policy paper, regarded as a "road map" and "guidebook" for its Latin American ties, pledges opposition to "hegemonism," "unilateral bullying," and "power politics," directly referencing US influence. It also emphasizes defending international fairness, upholding multilateral trade, safeguarding global supply chain stability and steering economic globalization in the "right direction."

In contrast, the US national security strategy focuses on protecting its vested interests in Latin America and the Western Hemisphere, illustrating the conflicting visions of the two powers. The US attack on Venezuela has multiple dimensions: Washington's attempts to control Venezuelan oil could force Chinese financial institutions to write off billions in outstanding loans, potentially prompting Beijing to retaliate against US interests. Measures could include restricting critical mineral supplies to US companies, hampering manufacturing, or placing selected US firms on China's unreliable entity list.

Despite these tensions, the geopolitical chessboard remains open. China, as the "factory of the world," must navigate conflicting realities through dialogue, diplomacy and development, while the US intervention in Venezuela represents a significant setback to the Global South, BRICS and even SCO initiatives. The future prospects of BRI and Chinese investments in Latin America during 2026 and beyond will depend on the geopolitical recalibration of China and Russia and the strategic strength of these international forums.

In summary, while the US attack on Venezuela temporarily disrupts China's influence in the region, it does not fundamentally undermine the long-term strategic importance of BRI in Latin America. China's strong trade ties, financial commitments and sustainable investments

provide resilience against geopolitical shocks. Both the US and China are maneuvering to protect their interests, but the enduring economic interdependence of Latin American countries with China will continue to shape regional development, stability and the prospects of BRI in the coming years.

<https://pakobserver.net/bris-latin-american-prospects-and-a-reality-check/>

## **CPEC Phase 2.0 and Prospects of SEZs**

*Zukafil Hassan*

Despite the good wishes of the governments of China and Pakistan, the operationalization of CPEC Phase 2.0 has not yet achieved any substantial progress. Even high-profile statements, meetings and joint declarations have not enabled it to flourish in the country.

Undoubtedly, CPEC Phase 2.0 has many short- and long-term socio-economic benefits for Pakistan, but unfortunately, due to many national, regional and international complex and complicated reasons and conflicting realities, it has not been fully pursued or implemented. Mainly, emerging Pak–US ties, the rapidly changing geopolitical landscape in the Middle East and the surge in terrorism have badly affected the pace and productivity of CPEC Phase 2.0 in the country.

New hope has emerged in the shape of the formation of Pakistan’s Special Economic Zones (SEZs) under the flagship of CPEC Phase 2.0. Fortunately, these SEZs have expanded from seven in 2019 to 44 by 2025, following the notification of 37 new zones through coordinated efforts led by the Board of Investment, which should be highly commended. Hopefully, the increase in SEZs will be a value addition in achieving the strategic goal of quality development and qualitative industrialization.

In a most recent meeting, the Project Management Unit of the CPEC Industrial Cooperation Development Project (PMU CPEC–ICDP) reviewed progress on industrial cooperation and SEZ development under Phase II of the China–Pakistan Economic Corridor.

According to news reports, officials said that PMU CPEC–ICDP serves as the implementation arm of the BOI for industrial cooperation under CPEC, with the BOI acting as Pakistan’s lead agency for the Joint Working Group on Industrial Cooperation alongside China’s National Development and Reform Commission. Since its establishment in 2019, the unit has supported the expansion of the SEZ framework and investor facilitation.

During the said meeting, the briefing highlighted progress on the Karachi Industrial Park, development initiatives for a Gilgit-Baltistan SEZ and approval of a land lease policy for BQIP, aimed at addressing structural issues faced by investors. The minister was also informed of the BOI’s role in facilitating utility provision to SEZs to help move projects from planning to operational stages.

Interestingly, officials have dubbed Pakistan–China business-to-business engagement as central to Phase 2.0 and specially mentioned the B2B Investment Conference held during the Prime Minister’s visit to China in September 2025, which led to the signing of more than 160 MOUs and joint ventures. A follow-up mechanism is in place to convert commitments into investment activity, which must be systemized as soon as possible.

It is a good omen that the long-term plan for CPEC industrial cooperation has been finalized and is being implemented through an action plan aligned with the transition to CPEC 2.0, focusing on export-oriented manufacturing, technology transfer and value addition, with SEZs positioned as anchor platforms.

The higher authorities were also briefed on planned initiatives in 2026 to mark 75 years of Pakistan–China diplomatic relations, aimed at deepening industrial cooperation. Minister for Board of Investment Qaiser Ahmed Sheikh emphasized continuity and institutional capacity as key to sustaining momentum under CPEC Phase II and reaffirmed the government’s commitment to investor facilitation and policy coordination.

Since the BOI serves as the lead Pakistani agency for the Joint Working Group (JWG) on Industrial Cooperation, with China’s National Development and Reform Commission (NDRC) as the counterpart lead agency, integrated efforts should be initiated to start work on the proposed 44 SEZs in the country.

Sincere efforts should also be started to align CPEC Industrial Cooperation with the government’s “Uraan Pakistan” 5Es Framework, particularly in advancing exports, enhancing competitiveness and promoting sustainable economic development through joint-venture-based industrialization. Hence, a fair assessment of Uraan Pakistan making it feasible for CPEC Phase 2.0 must be developed.

The government of Pakistan should engage the private sector and companies to make investments in building SEZs under the flagship project of CPEC Phase 2.0 in the country.

The government and all main stakeholders should attract more and more inflows of investors and investments through policy coordination and effective implementation of the CPEC Phase 2.0 industrial cooperation initiatives, which will hopefully further brighten the scope of building the proposed 44 SEZs in the country. Hence, all federal and provincial stakeholders should ensure a predictable, transparent and investor-friendly environment for domestic and foreign investors for the construction of the 44 proposed SEZs throughout the country.

To conclude, the incumbent government should promote the BOI’s structured approach to investment promotion and investor outreach, particularly with Chinese enterprises.

There is an urgent need to achieve an export-oriented economic development model through rigorous qualitative industrialization, digitalization, AI, quantum technologies and, last but not least, green means, gearing the economy, community and enterprises towards greater productivity and diversity through CPEC Phase 2.0 in the country. Hence, SEZs of humanoids, robotic manufacturing, green technologies (solar, wind, lithium batteries, EVs, etc.), agricultural drones, disaster management, biomedical equipment and technologies and vaccine SEZs must be built and incorporated in the most recently announced 44 SEZs in the country. There is an urgent need to study the models of Chinese SEZs, including the integration of even small towns and cities for a specific industry and its products and the same may also be implemented in Pakistan in the days to come.

<https://pakobserver.net/cpec-phase-2-0-and-prospects-of-sezs/>

## The Express Tribune

### **79 Pak-China agri MoUs worth \$4.5b signed**

Federal Minister for National Food Security and Research Rana Tanveer Hussain has said that the Pakistan-China Agri Investment Conference held on January 19, 2026 resulted in the signing of 79 memoranda of understanding (MoU) between Pakistani and Chinese companies, with an estimated investment value of \$4.5 billion in agriculture and allied sectors.

Speaking to the media, as per an official statement issued on Tuesday, the minister said the scale of the agreements reflected a shift from dialogue to investment-led cooperation, adding that the conference was designed to secure project-based commitments rather than broad discussions.

He said the event focused on direct business-to-business matchmaking, targeted sectoral engagement and project-based investment facilitation, enabling companies from both sides to conclude agreements aligned with commercial demand and technological needs. Hussain said the Ministry of National Food Security and Research carried out extensive preparatory work ahead of the conference, including structured consultations with Pakistani industry representatives and Chinese enterprises. The aim, he said, was to align proposals with national priorities, market requirements and technology gaps.

As a result, he said, agreements were signed across ten agricultural and allied subsectors. These included food processing and value addition, agri-technology, seeds and plant protection, livestock and dairy, meat and poultry, fruits and vegetables, fisheries and aquaculture, animal feed, post-harvest infrastructure and agricultural inputs.

The minister said the proposed investments were expected to modernise agricultural value chains and introduce advanced production and processing technologies. He added that higher productivity, improved storage and better logistics could reduce post-harvest losses and strengthen farm-to-market linkages. He said the inflow of capital and technology was also expected to generate employment, particularly in rural areas, and contribute to higher farm incomes. Improved processing capacity, he added, would support export-oriented production of value-added agricultural and food products.

Referring to wider economic impacts, Rana Tanveer Hussain said the investments would contribute to GDP growth, expand the industrial base linked to agriculture and support price stability through improved supply chains. He said enhanced domestic processing could also strengthen national food security. The minister said the conference outcomes were consistent with the objectives of the second phase of the China-Pakistan Economic Corridor (CPEC), which places emphasis on industrial cooperation, technology transfer and sustainable development. He said the government would focus on translating the signed MoUs into operational projects.

He added that follow-up mechanisms, institutional coordination and facilitation for investors would be prioritised to ensure that agreements moved beyond documentation and into implementation.

Separately, Special Assistant to the Prime Minister Haroon Akhtar Khan met a Chinese delegation to discuss avenues for expanding economic cooperation, with emphasis on exports, manufacturing, mining, minerals and industrial policy. The meeting was attended by Minister Counsellor Yang Guangyuan, Vera Luo of the China Chamber of Commerce in Pakistan, the Prime Minister's Coordinator for China Zafar Uddin and Secretary Industries and Production Saif Anjum.

During the discussions, both sides exchanged views on increasing Pakistan's export base, strengthening manufacturing capacity and developing the country's mineral, mining and gemstone sectors through effective policies and timely execution.

<https://tribune.com.pk/story/2588214/79-pak-china-agri-mous-worth-45b-signed>

**January 23, 2026**

**Business Recorder**

### **China-focused agri investment drive now moving from headline MoU to execution discipline: envoy**

*Nuzhat Nazar*

ISLAMABAD: China-focused agriculture investment drive in Pakistan is now moving from headline Memoranda of Understanding (MoU) to execution discipline.

In an exclusive talk with Business Recorder, Pakistan's Ambassador to China Khalil Hashmi, warned that Pakistan will keep losing serious investors unless it can put basic project economics "in writing" — from land pricing ranges and lease options to utility tariffs, tax treatment and customs-duty exemptions.

Hashmi described the agriculture investment conference organised by the Pakistan Embassy in Beijing as a deliberate, China-focused, private-sector-led pathway meant to convert Chinese capital, technology and standards into joint ventures on Pakistani soil, with profits and risks shared by both sides.

He distinguished this model from the larger CPEC agriculture track, which he said is largely government-to-government and working-group driven, while the Embassy's initiative is "99 percent B2B" and broken down into ten sub-sectors spanning the value chain.

Hashmi said a three-tier follow-up mechanism is already in place to track progress on MoUs and joint ventures, starting at senior bureaucratic level and escalating to higher leadership reviews.

He cautioned, however, that MoUs should not be mistaken for final deals. "When the MoUs are signed, this is just the handshake...the starting point," he said, adding that Pakistan's average realisation rate conversion from MoU to agreement or contract stands at around 23 percent, which he termed a relatively strong benchmark.

On timelines, the Ambassador offered a practical conversion curve rather than a fixed model. In his assessment, it typically takes roughly three to six months for MoU to mature into a contract or JV, depending on the sector and the readiness of the two private parties.

After signing, he said, production and visible on-ground impact can take another six to nine months, and in many cases a year to year and a half before results begin to show—though some projects can move faster and others can take two years or more.

Pressed on which areas inside agriculture are most likely to generate tangible returns in the near term, Hashmi prioritised three: cold chain, packaging and food-and-agriculture logistics.

He argued these are interlinked choke points where Pakistan is losing value due to post-harvest and post-slaughter wastage and inefficient supply chains. “Our supply chains, our value chains...are not efficient,” he said, pointing to inadequate scale and weaker-than-required standards of handling and storage across fruits and vegetables, meat and poultry, and fisheries.

Addressing concerns that Chinese firms and technology could out-compete Pakistan’s domestic agriculture players, Hashmi said such fears are “misplaced” and that Pakistan’s core constraints are structural: low yields and productivity, low mechanisation and technology absorption, and gaps in meeting international food safety and quality standards.

Rather than allowing one-sided dominance, he said the Embassy is pushing a joint-venture model so Chinese technology, management practices, capital and compliance culture are embedded into Pakistan’s local value chains, lifting productivity and export readiness.

He argued that market access is not Pakistan’s main hurdle; supply capacity and standards are. Citing the Pakistan–China Free Trade Agreement, he said a large portion of tariff lines are open and many product lines are effectively zero-rated, yet Pakistan’s returns remain limited because it cannot produce enough at consistent quality.

He referred to Sanitary and Phyto Sanitary (SPS) protocols as the gateway for perishable exports, noting that multiple protocols are already in place for certain fruits and that additional crop protocols are progressing, while other items have been finalised and await signing. Without meeting SPS and safety thresholds, he said, Pakistan cannot scale exports of fish, meat and other sensitive food products regardless of tariff concessions.

Hashmi acknowledged Pakistan’s investment promotion still lacks the specificity investors require.

He said the investor’s first questions are basic but rarely answered with numbers in Pakistan’s pitch material: land prices by region with a credible range and leasing options; electricity, gas and water rates with region-wise variation; clarity on what “tax holidays” mean in practice; and unambiguous customs-duty rules for importing machinery and equipment under FDI policies. “How can people take us seriously if we cannot put it in writing?” he asked, arguing that polished language cannot substitute for a hard-data pitch book that investors can underwrite.

On deal structure, he said joint ventures are being pursued precisely for risk sharing and profit sharing.

Chinese companies typically bring capital and technology, while Pakistani partners can contribute land as equity, labour and local operational support. If projects do not take off or

output targets are missed, he said, the downside is shared—making the model more resilient than arrangements where one side carries most of the exposure.

Hashmi also disclosed that the Embassy is integrating investment mobilisation with workforce development to pre-empt a skills bottleneck as projects move to execution.

He cited a recent agriculture-focused Technical and Vocational Education and Training (TVET) forum in Beijing that brought Chinese companies and vocational training providers together with Pakistani firms involved in recent MoUs and JVs, asking companies to define their skills needs and put “some money on the table” to co-finance demand-driven training.

He described it as an early-stage, sector-specific model aimed at producing technicians and skilled labour aligned with factory and processing needs.

On transparency and safeguards, he acknowledged greater public scrutiny around large investment figures, but drew a line between G2G projects — where higher disclosure is warranted — and B2B deals, where firms may withhold commercially sensitive or IP-linked details. He argued that at minimum MoUs and JVs should be registered with value bands so the state can credibly report outcomes and respond to scrutiny.

He also said institutions responsible for land use, water resources, pesticides, labour standards and environmental safeguards must ensure compliance through licensing, certification and enforcement mechanisms that already exist.

The ambassador said there is a general sense among Chinese stakeholders that Pakistan’s security situation has improved and that this improvement is being recognised, even as security remains a key consideration in investor decision-making.

He further revealed an Embassy-driven six-month sector road show to widen the investment funnel beyond agriculture. According to Hashmi, a home appliances conference is planned for end-March or the first week of April, followed by pharmaceuticals in April, semiconductors in May and surgical/medical equipment in June — an approach he framed as proactive convening rather than waiting for “templates” from elsewhere.

Hashmi told Business Recorder that over the last two years he has mobilised over USD12 billion in China-linked investment interest for Pakistan, though he noted that a substantial share remains at MoU stage.

He cited USD2.5 billion in joint ventures associated with the September engagement and said earlier conversions included roughly USD300 million that moved into contracts, with a large portion of the joint-venture value coming from earlier MoUs that “graduated” into JVs. In evidence, he argued, that the needle is moving, even if slowly.

<https://www.brecorder.com/news/40403635/china-focused-agri-investment-drive-now-moving-from-headline-mou-to-execution-discipline-envoy>

## The Express Tribune

### **China finalises \$1.5bn deals, signs \$9bn MoUs with Pakistan**

*Ehtesham Mufti*

KARACHI: China has finalised new joint venture agreements worth \$1.5 billion with Pakistan and signed memoranda of understanding valued at approximately \$9 billion across the agriculture, automotive and minerals sectors, Federal Minister for Investment Qaiser Ahmed Sheikh said on Thursday.

In a conversation with The Express Tribune, the minister stated that China is also set to make a further investment of \$10 billion in the country in the near future, adding that global attention is increasingly focused on Pakistan and broad-based foreign investment is expected in the coming years.

According to the minister, a large trade delegation comprising 300 businesspersons from various sectors, organised by the Government of Pakistan, recently visited China. He said the government is planning to link the Reko Diq project to Karachi via Chagai, enabling travel from Chagai to Karachi through a special railway track and a new highway.

He added that \$7 billion will be obtained from international financial institutions for the development of an economic corridor connecting Chagai to Karachi. He also said that following the success of Bunyan-un-Marsoos, global demand for Pakistan's fighter aircraft has increased and production orders are expected from several countries.

Sheikh said the largest share of foreign direct investment in Pakistan is expected to flow into the agriculture and mining sectors.

Separately, at the 8th Pakistan Leadership Conversation organised by ACCA, Sheikh reiterated that Pakistan's ambition to become a trillion-dollar economy depends on alignment between policy, capital, industry and institutions, noting that fragmented progress cannot deliver sustainable growth.

He said digital technologies, AI and fintech can support economic advancement if scaled beyond pilot projects.

<https://tribune.com.pk/story/2588576/china-signs-15b-jv-deals>

**January 27, 2026**

## The Nation

### **Seafood exports to China near \$255m in 2025**

BEIJING - Pakistan's seafood exports to China continued their upward trajectory in 2025, reaching nearly \$255 million, according to data from the General Administration of Customs of China (GACC). The gains were driven by sustained demand for frozen fish, cephalopods, and a growing range of processed seafood products in both coastal and inland markets.

China Customs data show that Pakistan's seafood basket has diversified beyond traditional frozen fish, reflecting broader consumption channels and demand from foodservice and

processing industries. Frozen fish remained the largest single export category, contributing about \$64.6 million to Pakistan's seafood exports to China. Imports of Pakistani frozen fish were concentrated in major coastal and metropolitan entry points. The southern province of Guangdong was the largest destination by value and volume, importing 8.48 million kilograms worth \$15.7 million. Shandong and Beijing followed, each exceeding 7 million kilograms in imports. Shanghai, Tianjin, and Zhejiang also recorded substantial volumes, highlighting role of large urban centers and port provinces in China's frozen seafood trade.

In addition to core frozen seafood, Pakistan exported roughly \$14.4 million each in two higher value-added categories classified by China Customs as "fish" and "fish products," indicating a gradual shift toward processed seafood lines. These categories align with China's expanding market for convenience foods, e-commerce distribution, and ready-to-eat seafood products. Analysts attributed the overall growth to improved compliance with Chinese food safety requirements, expanded approvals for Pakistani processing facilities, and competitive pricing supported by Pakistan's marine resource base. Investment in cold-chain logistics and streamlined customs procedures also helped support higher volumes.

<https://www.nation.com.pk/27-Jan-2026/seafood-exports-china-near-dollar-255m-2025>

**January 28, 2026**

**Pakistan Observer**

## **CPEC Phase 2.0, Pak-China 75th Years of Friendship and Way Forward**

*Dr Mehmood Ul Hassan Khan*

Despite rapidly changing regional geopolitics and conflicting global realities, the friendship between Pakistan and China remains time-tested, consistently fostering mutual trust, respect and positivity between the two countries and their peoples. Their sustainable economic ties and the inception of CPEC, Phases 1 and 2.0, have been transformative, becoming a game-changer for achieving socio-economic goals and advancing the vision of greater trans-regional connectivity and financial integration.

In 2026, both countries will officially launch commemorative activities marking the 75th anniversary of diplomatic relations, further consolidating their historic friendship. This partnership can be strengthened and passed down across generations through enhanced political understanding, economic cooperation, industrial coordination, ensuring the safety and security of Chinese workers and investors and rigorously safeguarding mutual sovereignty and territorial integrity through expanded military collaboration.

CPEC Phase 2.0 promises to be a giant leap toward knowledge-driven, technology-oriented, sustainable and inclusive growth. Optimistically, it will not only reshape Pakistan's economy but also redefine its role in the global economic landscape, providing opportunities to lead, innovate and uplift its people, just as China did through visionary reforms and determined transformation. It represents a historic opportunity to empower Pakistan's workforce, promote technological adoption and integrate the nation into the global economic fabric with sustainable and inclusive policies.

Strategically, CPEC 2.0 should adopt an export-oriented growth model, encourage qualitative industrial cooperation and promote E-Pakistan, environmental sustainability, energy efficiency and equity, forming a renewed national policy agenda. New corridors under this flagship project should include digital economy, artificial intelligence, quantum and green technologies, hybrid agriculture, science and space, economic security, innovation, technical education, SMEs, banking and financial services (including Panda Bonds) and women empowerment. These corridors will transform CPEC 2.0 into an integrated hub of industrialization, technological development, sustainability and shared prosperity.

The Action of China-Pakistan Community with a Shared Future, signed in September 2025, establishes a benchmark for future cooperation. It outlines comprehensive engagement in industrial development, Special Economic Zones (SEZs), agricultural modernization, maritime development, mining and flagship connectivity projects such as the ML-1 Railway, Karakoram Highway realignment and Gwadar Port development. The 15th JCC meeting in May 2026, coinciding with the 75th anniversary of diplomatic relations, will further reinforce these historic ties and provide a platform to discuss future strategic initiatives.

SEZs, which have been pivotal in China's robust economic growth, will form an inclusive, innovative "Corridor of SEZs" under CPEC Phase 2.0. Participation of the private sector and private companies is vital to ensure competitiveness and sustainability. In addition, clusters of small and medium SEZs near major towns and cities can address infrastructure gaps in remote areas, promoting industrial activity and local employment opportunities while enhancing regional connectivity.

The Seventh Round of China-Pakistan Foreign Ministers' Strategic Dialogue, co-chaired by Deputy Prime Minister Ishaq Dar and Chinese Foreign Minister Wang Yi, reaffirmed mutual support for core national interests. The joint communiqué was holistic, forward-looking and productive, reiterating China's steadfast support for Pakistan in safeguarding sovereignty, independence and territorial integrity. China's assistance in counterterrorism and regional security, particularly in May 2025, played a decisive role in dismantling Indian hegemonic designs and strengthening Pakistan's strategic posture.

Pakistan reaffirmed its commitment to the One-China principle, recognizing Taiwan as an integral part of China and firmly supported China on issues related to Xinjiang, Xizang, Hong Kong and the South China Sea. This reflects immense diplomatic, political and social understanding between the two nations. Both countries remain committed to deepening strategic cooperation, expanding mutually beneficial partnerships and countering misinformation and external political pressures. A sound and robust China-Pakistan relationship is essential for regional peace, stability and development.

The writer emphasizes that both countries must establish a connected and proactive anti-terrorism mechanism. This includes constant aerial drone surveillance using nuclear-capable drones with extended flight capacity along Afghanistan and Iran borders, deployment of humanoid and robotic soldiers and high-altitude monitoring units to prevent infiltration and reduce terrorism risks in Balochistan and KPK. Replicating a "Syrian model" at the Afghanistan border through Pak-China-Afghanistan and China-Iran coordination would serve as a win-win solution for all regional stakeholders. Reconfiguring and repopulating the Wagh

Khan Corridor would further secure economic and connectivity interests for Tajikistan, Pakistan, China and Afghanistan while promoting regional stability.

Frequent attacks targeting Chinese workers and investors in Afghanistan's metals and mining sectors signal the urgent need to redirect investments toward safer regions, such as Gilgit-Baltistan and other parts of Pakistan. Zero tolerance for terrorism, coupled with strengthened all-round security cooperation, is crucial to ensure smooth and secure implementation of CPEC projects.

Industrial cooperation also demands a new roadmap to boost bilateral industrial ties, reallocate quality and emerging industries to Pakistan, focus on technology-intensive manufacturing such as chips and quantum technologies and modernize supply chains. Establishing a Pak-China Industrial Bank or Investment Company pooling financial resources could be transformative under CPEC Phase 2.0. Strategic promotion of industry, agriculture, mining, Gwadar Port operations and the Karakoram Highway should be redefined and swiftly implemented to enhance Pakistan's sustainable development capacity.

Furthermore, cooperation in trade, investment, IT, science and technology, cybersecurity, technical and vocational training, education and cultural exchanges must be pursued effectively. Establishing a Corridor of Knowledge, an Expert Media Group and closer linkages among think tanks, economists, strategists and advocacy clubs is critical to protect CPEC Phase 2.0 from mismanagement, instability and external threats.

In conclusion, CPEC Phase 2.0, combined with the 75-year Pak-China friendship, presents an unparalleled opportunity for industrial, technological and socio-economic transformation. Its successful implementation can redefine Pakistan's developmental trajectory, strengthen regional connectivity and reinforce the strategic, all-weather partnership between Pakistan and China, ensuring prosperity, stability and shared progress for generations to come.

<https://pakobserver.net/cpec-phase-2-0-pak-china-75th-years-of-friendship-and-way-forward/>

## **CPEC: Driving Pakistan's Economic Growth and Regional Prosperity**

*Rana Zahid Iqbal*

At a time when global politics is moving toward a new balance of power, Pakistan and China are viewing future politics, economics and security within a shared framework.

Under the present circumstances, this friendship has become highly beneficial for economic cooperation, trade corridors, defence partnership and regional security. Moreover, political harmony between the two countries strengthens their collective standing on the global stage. Both nations clearly understand that Pak-China friendship is indispensable for regional peace and stability, particularly at a time when instability is increasing in Afghanistan, the Middle East and other regions.

Pakistan-China relations are deep-rooted and historical. Cooperation between the two countries spans multiple sectors, including trade agreements, infrastructure development and defence collaboration. In addition, both countries remain closely aligned on global issues and consistently support each other's core interests. Overall, these relations play a positive and stabilizing role in the development and security of the region.

This partnership has gained exceptional importance in the context of the Belt and Road Initiative. This progress is unfolding at a time when the global economy is under pressure and developing countries are searching for new economic models. That is why CPEC Phase-II is not limited to infrastructure alone; human resource development, digital connectivity and modern industrialisation have also been incorporated into its framework.

In view of the emerging global cold war, widespread tensions from Venezuela to the Middle East and the shifting balance among major powers, Pakistan's alignment with China reflects a realistic and pragmatic foreign policy. Pakistan seeks to maintain equilibrium amid complex regional dynamics through close cooperation with China. To this end, it is strengthening its relationship on stable and cautious foundations. This sends a clear message to the world that, rather than yielding to external pressure, Pakistan is working with a trusted partner to build a multilateral, defensive and economically resilient framework.

Changing relations among Gulf countries, tensions between Iran and the Arab world and evolving global energy politics continue to influence Pakistan's foreign policy choices. In this changing global landscape, the importance of Pak-China strategic cooperation and mutual trust has become extraordinary. It is encouraging that Pakistan and China share a high degree of harmony in their perspectives on regional and global issues.

Pakistan and China are permanent partners in strategic cooperation and close high-level contacts from both sides clearly demonstrate the breadth and depth of bilateral relations. The history of both countries reflects unwavering support for each other's core interests. Pakistan has made immense sacrifices in the war against terrorism, which China has consistently acknowledged. China recognizes Pakistan as a major future market and an emerging economy and, therefore, accords it special importance in its foreign policy. Pakistan and China are no longer just friends; they are partners for the future. This partnership extends beyond economics into regional and global politics.

It is no secret that CPEC projects will play a decisive role in the economic development of the region. Distances between nations will shrink, economic linkages will grow and international cooperation will deepen. This will help reduce mistrust and contribute to peace, which is increasingly under strain across the world. The shared stance of Pakistan and China on regional stability, counterterrorism and the need to prevent the export of terrorism from Afghanistan is vital for lasting peace.

China has expressed readiness to work with Pakistan under the strategic guidance of the leadership of both countries to enhance political mutual trust, better align development projects, improve the quality and effectiveness of cooperation and strengthen coordination on key international and regional issues. From a diplomatic and strategic perspective, CPEC has transformed Pak-China relations from economic cooperation into a comprehensive strategic partnership.

The completion of CPEC will bring substantial economic benefits to Pakistan, including improved infrastructure, enhanced energy capacity and expanded trade routes. These developments will boost local industries, create employment opportunities and contribute to GDP growth by revitalizing trade and economic activity.

It is true that certain elements attempt to obstruct the progress of CPEC due to their conflicting interests. However, with the combined efforts of the government and the people of Pakistan, these challenges can be effectively addressed. With a strong and unified strategy, CPEC will not only be completed but will also elevate Pakistan's economy to new heights.

To achieve this, both countries must adopt a common strategy that prioritizes transparency and mutual trust. Effective coordination, periodic reviews and careful consideration of mutual interests are essential. The involvement and training of local communities must also be ensured so that they directly benefit from the project. In this way, Pakistan and China can jointly establish a strong and sustainable foundation.

Transparency and accountability are crucial for the long-term sustainability of CPEC, as they help maintain public trust. Equally important is the inclusion of local communities, addressing their needs and ensuring tangible benefits for them. Strong infrastructure planning, robust security arrangements and continuous communication between both countries are necessary to prevent disruptions and resolve issues promptly.

In the current global environment, marked by tensions and political challenges, CPEC and Pak-China friendship serve as the foundation of a stable and resilient region. Together, Pakistan and China promote not only economic development but also peace and stability. Thus, their relationship offers both economic advantages and a strong political and strategic partnership capable of addressing global uncertainties.

CPEC will not benefit Pakistan alone; the broader international community also stands to gain. Improved global trade routes, increased investment, enhanced transportation infrastructure and stronger economic linkages will contribute positively to the global economy. Therefore, instead of creating obstacles, the world should cooperate in this initiative so that collective and sustainable development becomes possible.

<https://pakobserver.net/cpec-driving-pakistans-economic-growth-and-regional-prosperity/>

### **The Express Tribune**

#### **Copper exports to China cross \$1.14b**

In 2025, Pakistan's mineral exports to China recorded strong and diversified growth, according to the latest trade data, underscoring deepening industrial cooperation and rising demand from China's manufacturing, infrastructure and green-energy sectors.

According to China's General Administration of Customs (GACC), among the standout performers, copper and copper-based exports continued to expand, with copper and articles rising to \$1.14 billion, while copper ores and concentrates exceeded \$11 million, highlighting copper's strategic role in power grids, electronics and clean-energy technologies. At the same time, aluminium ores and concentrates surged from \$0.29 million to \$14.16 million, an increase of over 4,700%, reflecting China's growing use of aluminium in electric vehicles, renewable energy systems and lightweight industrial manufacturing.

Other key mineral categories also posted solid performance. Chinese customs data showed that iron ores and concentrates remained above \$101 million, while manganese ores, lead ores and concentrates, natural calcium phosphates and industrial minerals such as vermiculite

and perlite contributed to overall growth. These materials are essential for China's steelmaking, battery production, fertilisers and large-scale infrastructure projects.

Trade data further showed that Pakistan's exports of zinc ores and concentrates to China reached \$110.90 million in 2025, underscoring steady Chinese demand from the galvanising, construction and automotive sectors. Exports of chromium ores and concentrates stood at \$89.43 million, reflecting their continued importance for China's stainless steel and alloy manufacturing industries. In addition, Pakistan exported aluminium and articles thereof worth \$30.35 million, supporting downstream manufacturing applications. These figures highlight the breadth of Pakistan's mineral export basket and its increasing alignment with China's industrial and clean-energy supply chains.

A senior official from Pakistan's Ministry of Commerce said the expansion reflects "strong complementarities between Pakistan's mineral resources and China's industrial demand, supported by improved logistics and long-term commercial partnerships". He added that enhanced connectivity under the China-Pakistan Economic Corridor (CPEC) has reduced transport bottlenecks and improved export reliability.

According to a Pakistani metals industry analyst interviewed by China Economic Net, China's demand for copper, aluminium and iron inputs remains structurally strong due to the energy transition, grid expansion and advanced manufacturing. He said Pakistan is emerging as a stable and diversified supplier in this context.

Ghulam Qadir, Trade and Investment Counsellor at Pakistan's Embassy in China, told China Economic Net that one of the major positive developments in Pakistan-China trade is the rapid growth of copper exports. He said Pakistan imports compressors and scrap from global markets, extracts high-quality copper and exports refined copper ingots, an intensive, labour-driven process in which the country has developed strong expertise.

He added that around \$1 billion worth of copper is exported to China annually, with only about \$250 million coming directly from mining, while the majority comprises refined copper output. Cities such as Gujranwala host numerous small refineries carrying out highly skilled processing. With strong Chinese demand and limited surplus, Pakistan is now cooperating with China on inventory management, supply chains and investment, aiming to raise copper exports to \$3–4 billion through greater value addition. Experts believe that future gains will depend on investment in mineral processing, quality certification and environmentally responsible mining. Such steps could allow Pakistan to export higher-value semi-processed minerals, further strengthening Pakistan-China industrial supply chains.

<https://tribune.com.pk/story/2589451/copper-exports-to-china-cross-114b?amp=1>

### The News

#### **China approves first imports of Nvidia's H200 AI chips, sources say**

The latest update reveals that China has approved its first batch of Nvidia's H200 artificial intelligence chips for import, marking a shift in position as China seeks to balance its AI needs against spurring domestic development.

The approval covers several hundred thousand H200 chips and was granted during Nvidia's Chief Executive Jensen Huang's visit to China this week, the sources informed, requesting anonymity due to the sensitivity of the matter.

According to sources, the first batch of approvals has been allocated primarily to three major Chinese internet companies, with other enterprises now joining a queue for subsequent approvals.

They declined to name the companies that received the initial clearances, while China's industry and commerce ministries, as well as Nvidia, had also not responded yet.

Why it matters: The H200, Nvidia's second most powerful AI chip, has emerged as a major flashpoint in U.S.-China relations. Despite strong demand from Chinese firms and U.S. approval for exports, Beijing's hesitation to allow imports has been the main barrier to shipments. The U.S. earlier this month formally cleared the way for Nvidia to sell the H200 to China, where the company is seeing strong appetite.

However, it was unclear if Chinese authorities or Beijing would grant approval in recent weeks, as the government wants to balance meeting surging domestic demand for advanced AI chips and nurturing its domestic semiconductor industry.

Chinese customs authorities told agents that the H200 chips were not permitted to enter China, Reuters reported earlier this month.

But Chinese technology firms have placed orders for more than two million H200 chips, far exceeding Nvidia's available inventory.

It remains uncertain how many additional companies will receive approval in subsequent batches or what criteria Beijing is using to determine eligibility.

As reported by Reuters, Huang arrived in Shanghai last Friday for routine annual celebrations with Nvidia's China employees and has since travelled to Beijing and other cities, Reuters reported last week.

Impact:

The approvals of H200 suggest Beijing is prioritizing the needs of major Chinese internet companies, which are spending billions of dollars to build data centers needed to develop AI services and compete with U.S. rivals, including OpenAI.

While Chinese companies such as Huawei now have products that rival the performance of Nvidia's H20 chip, previously the most advanced AI chip it was allowed to sell to China, they still lag far behind the H200.

The H200 delivers roughly six times the performance of Nvidia's H20 chip.

Still, Beijing has discussed requiring companies to buy a certain quota of domestic chips as a condition for receiving approval to import foreign semiconductors.

<https://www.thenews.com.pk/latest/1390086-china-approves-first-imports-of-nvidias-h200-ai-chips-sources-say>

## *Chinese Newspapers*

**January 19, 2026**

### **People's Daily**

#### **Speaker of Pakistan's National Assembly to visit China**

BEIJING, Jan. 18 (Xinhua) -- Pakistan's National Assembly Speaker Sardar Ayaz Sadiq will lead a delegation to visit China from Jan. 19 to 21 at the invitation of Zhao Leji, chairman of China's National People's Congress Standing Committee.

<https://en.people.cn/n3/2026/0119/c90000-20415946.html>

### **Xinhua News**

#### **China's top legislator holds talks with speaker of National Assembly of Pakistan**

BEIJING, Jan. 19 (Xinhua) -- Zhao Leji, chairman of China's National People's Congress (NPC) Standing Committee, held talks with Sardar Ayaz Sadiq, speaker of the National Assembly of Pakistan, in Beijing on Monday.

Noting that this year marks the 75th anniversary of the establishment of diplomatic ties between the two countries, Zhao said China stands ready to work with Pakistan to implement the important consensus reached by leaders of the two countries, accelerate the development of an even closer China-Pakistan community with a shared future in the new era, and bring greater benefits to the two peoples.

Zhao said that China is willing to strengthen the alignment of its 15th Five-Year Plan with Pakistan's National Economic Transformation Plan (URAAN Pakistan) for the 2024-2029 period.

Zhao added that China is ready to advance the construction of the upgraded Version 2.0 of the China-Pakistan Economic Corridor (CPEC), and to deliver further achievements in key areas such as industry, agriculture, mining, transportation and people's livelihoods. He also said that China supports Pakistan's resolute efforts to combat terrorism.

China's NPC is willing to deepen its exchange of experience with the National Assembly of Pakistan on governance, legislation, oversight and other related areas, focusing on topics such as rural revitalization and green development, Zhao said. Sadiq said that Pakistan firmly supports China's stance on its core interests and major concerns, including issues related to Taiwan, Xinjiang and Xizang. He noted that Pakistan hopes to strengthen cooperation with China in such fields as the economy, trade, investment, infrastructure development, people-to-people exchange and personnel training. The National Assembly of Pakistan is willing to deepen its exchange and cooperation with China's NPC, he added.

<https://english.news.cn/20260119/42d0f76d4660435f81600359cd8084fe/c.html>

**January 20, 2026**

**People'sDaily**

## **China's top legislator holds talks with speaker of National Assembly of Pakistan**

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<https://en.people.cn/n3/2026/0120/c90000-20416327.html>

## **China's experience, support play vital role in accelerating Pakistan's agricultural development: official**

ISLAMABAD, Jan. 21 (Xinhua) -- Pakistan's Minister for National Food Security and Research Rana Tanveer Hussain on Tuesday said that China's continued support is accelerating agricultural development in Pakistan.

Addressing a press conference here, the minister said several Pakistani and Chinese companies agreed to cooperate in the agriculture sector during the Pakistan-China Agriculture Investment Conference held on Monday.

He said the conference aimed to promote investment partnerships in Pakistan's agriculture and food sectors and to facilitate business-to-business engagement between companies from both countries.

He added that the event enabled direct engagement between private sector entities, promoted targeted investment in priority agriculture sub-sectors, and supported technology transfer, value addition, and supply chain development.

Highlighting the importance of agriculture in national economic development, he said the sector contributed about 26 percent to the country's gross domestic product, with the livestock segment accounting for around 60 percent of total agricultural output.

He said agriculture remained a top priority under the country's economic reform agenda, adding that following economic revival, the government is focusing on agricultural development to achieve sustainable growth.

The minister said that his country is keen to adopt China's agriculture development model, terming it a successful example of productivity enhancement, modernization, and rural development.

<https://en.people.cn/n3/2026/0121/c90000-20417003.html>

### Xinhua News

#### **Speaker of Pakistan's National Assembly to visit China**

BEIJING, Jan. 18 (Xinhua) -- Pakistan's National Assembly Speaker Sardar Ayaz Sadiq will lead a delegation to visit China from Jan. 19 to 21 at the invitation of Zhao Leji, chairman of China's National People's Congress Standing Committee.

<https://english.news.cn/asiapacific/20260118/06027da00af54647ae90dc855d9f9d78/c.html>

### **January 21, 2026**

### Xinhua News

#### **Pakistan can achieve rapid agricultural progress by learning from China's experience: PM**

ISLAMABAD, Jan. 21 (Xinhua) -- Prime Minister Muhammad Shehbaz Sharif said that Pakistan can achieve agricultural excellence in months rather than years by benefiting from China's experience and expertise.

Addressing the Pakistan-China Agriculture Investment Conference here on Monday, Sharif said agriculture is the backbone of Pakistan's economy and holds vast potential, stressing the need to enhance productivity through the use of modern technology.

He urged scientists and agricultural experts to ensure optimal use of water, adopt modern farming methods, and strengthen value chains, cold chains and value addition.

Sharif said China's development in agricultural techniques, information technology, and artificial intelligence is unmatched, adding that Pakistan-China friendly relations span

decades and that both countries are celebrating the 75th anniversary of diplomatic relations this year.

He called on Pakistani farmers, agricultural institutions, and experts to come forward, demonstrate their capabilities by learning from Chinese experts, and deliver the excellence required by Pakistan's agricultural economy, noting that Pakistani youth have the potential to transform the sector in months rather than years.

Sharif said he looks forward to the upgraded Version 2.0 of the China-Pakistan Economic Corridor (CPEC), adding that deeper Pakistan-China cooperation would play a key role in achieving sustainable economic growth.

Speaking at the event, Chinese Ambassador to Pakistan Jiang Zaidong positively commented on the stabilization and recovery of Pakistan's macro economy, stating that the economies of the two countries are moving forward and developing vigorously, which have created new opportunities and injected new impetus into the promotion of bilateral cooperation.

China is willing to further align development plans with Pakistan, and push forward China-Pakistan relations to a new level on the occasion of the 75th anniversary of the establishment of diplomatic relations between the two countries, he added.

At the conference, several memorandums of understanding were signed between Chinese and Pakistani companies and institutions in 10 key fields including food processing, livestock, fisheries and farm machinery.

<https://english.news.cn/asiapacific/20260121/d648b1cf19444887b51622a9e1c1e1a7/c.html>

**January 22, 2026**

**Global Times**

**Chinese FM expresses deep condolences, extends sincere sympathies to families of victims, the injured in Pakistan shopping mall fire**

China has noted the tragic incident, and expresses deep condolences to the victims and extend sincere sympathies to the bereaved families and the injured, and wishes the injured to recover and get well soon, Chinese Foreign Ministry spokesperson Guo Jiakun said on Thursday's press conference, in response to media inquiry about a deadly fire at the Gul Plaza shopping mall in Karachi, Pakistan.

According to media reports, Pakistani officials said on Wednesday that the death toll from a January 17 fire at the Gul Plaza shopping mall in Pakistan's southern port city of Karachi, has risen to 60.

<https://www.globaltimes.cn/page/202601/1353917.shtml>

## People'sDaily

### **China expresses deep condolences to victims of Pakistan's mall fire: FM spokesperson**

BEIJING, Jan. 22 (Xinhua) -- China expressed deep condolences to victims of a shopping mall fire in Pakistan's Karachi and sympathies to the bereaved families and the injured, according to Chinese Foreign Ministry spokesperson Guo Jiakun on Thursday.

Guo wished the injured a speedy recovery at a news briefing.

The death toll from the fire in Pakistan's southern port city of Karachi had climbed to 60 after at least 30 bodies were recovered from a shop of the multi-storey building, local officials said on Wednesday.

<https://en.people.cn/n3/2026/0122/c90000-20417614.html>

## **January 23, 2026**

## Xinhua News

### **Pakistan's foreign exchange reserves increase by 16 mln USD**

ISLAMABAD, Jan. 23 (Xinhua) -- Foreign exchange reserves of the State Bank of Pakistan (SBP) increased by 16 million U.S. dollars during the past week, the central bank said on Thursday.

During the week ending Jan. 16, the central bank's foreign exchange reserves stood at 16.09 billion dollars, the SBP said in a statement.

Net foreign exchange reserves held by commercial banks were recorded at 5.17 billion dollars, the bank added.

The country's total liquid foreign exchange reserves stood at 21.26 billion dollars, the bank said.

<https://english.news.cn/asiapacific/20260123/f293a18ff3ca447596d6a0e7b17cea88/c.html>

## **January 26, 2026**

## Xinhua News

### **Pakistan central bank keeps policy rate unchanged at 10.5 pct**

ISLAMABAD, Jan. 26 (Xinhua) -- Pakistan's central bank on Monday kept its benchmark policy rate unchanged at 10.5 percent, mentioning steady headline inflation, improving economic growth prospects, and a relatively contained external account, the bank's statement said.

According to the statement from the State Bank of Pakistan, the Monetary Policy Committee noted that headline inflation eased to 5.6 percent year-on-year in December 2025, while core inflation steadied around a relatively higher level of 7.4 percent.

It said recent high-frequency indicators showed that economic activity was gaining momentum, driven mainly by domestic-oriented sectors, including large-scale manufacturing.

The committee observed that the trade deficit had widened due to a sharp increase in imports and a decline in exports, it said, adding that workers' remittances and benign global commodity prices helped keep the current account deficit relatively contained.

Pakistan's real gross domestic product grew by 3.7 percent year-on-year in the first quarter of fiscal year 2026 (July 2025 to June 2026), compared with 1.6 percent in the same period last year, led by industry and agriculture.

On the external front, the current account posted a deficit of 244 million U.S. dollars in December 2025, taking the cumulative deficit to 1.2 billion dollars in the first half of the fiscal year.

The committee also noted that foreign exchange reserves of the central bank rose to 16.1 billion dollars as of Jan. 16, 2026, mainly due to interbank foreign exchange purchases. However, it added that tax revenue growth slowed in the first half of the fiscal year, falling short of targets, though lower interest payments helped contain overall expenditures.

It said broad money growth picked up to 16.3 percent in early January, driven by higher private sector credit and government borrowing.

<https://english.news.cn/asiapacific/20260126/80e99da3d613493f83c3ef3e6defddd2/c.html>