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## Trump Seals US-Pakistan Trade Deal for Oil Development

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United States President Donald Trump announced a trade deal with Pakistan to jointly develop its oil reserves, signaling a strategic shift in bilateral relations.

United States (US) President Donald Trump announced on July 31, 2025, a landmark trade agreement with Pakistan focused on developing the South Asian nation's substantial oil reserves. In a statement posted on Truth Social, Trump revealed that the US and Pakistan would collaborate to unlock these resources, with an American oil company to be selected to lead the partnership. The announcement, reported by Reuters, follows recent discussions between Pakistani Foreign Minister Ishaq Dar and US Secretary of State Marco Rubio, who indicated last week that a deal was imminent.

The agreement marks a significant step in US-Pakistan relations, aligning with Trump's broader strategy to renegotiate trade agreements to address perceived imbalances. While specific details of the deal remain undisclosed, Trump's statement emphasized the economic potential of Pakistan's untapped oil reserves, hinting at future export opportunities, including to regional players like India. The Pakistani embassy in Washington declined to comment immediately, suggesting further details may emerge through official channels. This development comes amid Trump's recent imposition of a 25% tariff on Indian exports, underscoring his administration's assertive approach to reshaping global trade dynamics.

The trade deal reflects a pragmatic move to bolster energy cooperation, potentially reducing Pakistan's reliance on imported fuel and strengthening its economy, which faces a circular debt crisis exceeding Rs2.6 trillion. For the US, the partnership offers access to new energy markets and reinforces its geopolitical influence in South Asia. Foreign Minister Dar's earlier remarks, cited by Investing.com, highlighted the deal's near-finalization after his meeting with Rubio, signaling months of quiet diplomacy. The selection of a US oil company to spearhead the project is underway, with Trump indicating a decision is forthcoming.

This agreement underscores Trump's focus on leveraging economic partnerships to advance US interests while offering Pakistan a chance to enhance its energy security. As both nations navigate complex regional dynamics, the deal could reshape trade and energy policies in South Asia.