United States Department of Agriculture
Foreign Agricultural Service

GAIN
Global Agricultural Information Network

Required Report: Required - Public Distribution **Date:** February 02, 2026

Report Number: CA2026-0002

Report Name: Grain and Feed Update

Country: Canada

Post: Ottawa

Report Category: Grain and Feed

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Report Highlights:

Production of all wheat, including durum, is estimated at 39.96 million metric tons (MMT), marking Canada's largest wheat crop on record. It surpasses the previous high of 37.59 MMT set in MY 2013/2014. Exports of non-durum wheat grain reached their fastest first-quarter pace on record, on strong demand from Bangladesh and China. Two port announcements have a common goal: to re-route the transportation routes of imported farm inputs.

Table 1: Production, supply, and distribution of wheat

Wheat	2023/2024		2024/2025		2025/2026	
Market Year Begins	Aug 2023		Aug 2024		Aug 2025	
Canada	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	10709	10709	10652	10652	10615	10659
Beginning Stocks (1000 MT)	5706	5706	5278	5278	4112	4112
Production (1000 MT)	33414	33414	35939	35939	39955	39955
MY Imports (1000 MT)	556	556	608	610	600	600
TY Imports (1000 MT)	557	557	596	596	600	600
TY Imp. from U.S. (1000 MT)	348	347	376	376	0	0
Total Supply (1000 MT)	39676	39676	41825	41827	44667	44667
MY Exports (1000 MT)	25437	25437	29281	29288	28000	29500
TY Exports (1000 MT)	25660	25660	28519	28517	28000	29500
Feed and Residual (1000 MT)	3830	3835	3130	3127	5000	4000
FSI Consumption (1000 MT)	5131	5126	5302	5300	5350	5350
Total Consumption (1000 MT)	8961	8961	8432	8427	10350	9350
Ending Stocks (1000 MT)	5278	5278	4112	4112	6317	5817
Total Distribution (1000 MT)	39676	39676	41825	41827	44667	44667
Yield (MT/HA)	3.1202	3.1202	3.3739	3.3739	3.764	3.7485

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Wheat begins in July for all countries. TY 2025/2026 = July 2025 - June 2026

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

PRODUCTION - Marketing Year 2025/2026

Production of all wheat, including durum, is estimated at 39.96 million metric tons (MMT), an increase of 11 percent over the previous marketing year and 23 percent above the five-year (MY 20/21 to MY 24/25) average of 32.42 MMT. This marks the largest wheat crop on record, surpassing the previous high of 37.59 MMT set in MY 2013/14 by six percent. The primary type of wheat grown in Canada is Canadian Western Red Spring (CWRS), followed by Canadian Western Amber Durum (CWAD), and winter wheat.

The year-on-year increase is primarily due to improved yields for CWAD and CWRS. Total wheat yields increased from 3.37 MT/hectare to 3.75 MT/hectare. Total wheat area planted increased by one percent.

Statistics Canada's final production data, published in December, shows a nine percent upward revision of total wheat production over its September estimate, due to higher-than-previously estimated yields on all categories: durum, spring wheat, and winter wheat. Statistics Canada's final production data is the only release derived from a survey of farmers, conducted in October/November. These production figures serve as a benchmark, with earlier model-based figures expected to align with them.

Spring wheat: Spring wheat production increased 10.3 percent over the previous marketing year to 29.3 MMT on higher yields (3.95 MT per hectare versus 3.51 MT per hectare in 2024), offsetting lower harvested area, which fell 2.1 percent.

The Canadian Grain Commission's (CGC) grain sample program indicates that, in Western Canada, a greater share of spring wheat received a No. 1 grade than in the previous two years. This will translate to a greater volume of No. 1 grain produced this year, given the larger overall volume this year compared to last year. The high protein levels are similar to those found in the previous year.

Table 2: CWRS in Western Canada: Percent of samples by grade, as of December 25, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
No. 1 (%)	19	78	56	29	56	65	79	67	66	71
No. 2 (%)	39	14	18	42	27	25	14	30	27	20
No. 3 (%)	20	4	15	17	8	6	2	2	2	4
Feed (%)	22	4	11	11	8	4	5	2	4	5
Total number samples	4,325	5,276	6,230	6,296	5,124	3,727	3,296	3,275	2,620	2,395

Source: Canadian Grain Commission, calculations by FAS/Ottawa

Notes: The total number of samples in 2025 are lower than historical samples because sample submissions were reportedly disrupted by the postal worker labor strike.

Percents may not sum to 100, due to rounding.

Durum wheat: Durum wheat production rose 11.8 percent to 7.1 MMT on improved yields and increased harvest rate. Yields were 2.75 MT per hectare versus 2.49 MT per hectare in 2024

CGC data shows that in MY 2025/26, Canada had the lowest share of No. 1 grade durum (as a share of all durum grades), since 2016. Durum No. 5 is the lowest milling grade, allowing for more severe damage and lower test weight.

Nearly 99 percent of all durum was planted in Saskatchewan and Alberta, but new durum varieties have led to area and yield gains in Manitoba, a province not generally known for its durum production.

Table 3: Durum in Western Canada percent of samples by grade, as of December 23, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
No. 1 (%)	11	76	67	25	58	39	61	51	45	22
No. 2 (%)	12	15	17	24	23	31	20	31	28	22
No. 3 (%)	39	5	10	29	12	22	13	13	13	39
No. 4 (%)	10	1	3	12	2	5	2	2	3	8
No. 5 (%)	29	3	2	10	4	3	4	3	13	10
Total number samples	1,298	1,539	1,556	1,343	1,164	818	939	778	895	814

Source: Canadian Grain Commission, calculations by FAS/Ottawa

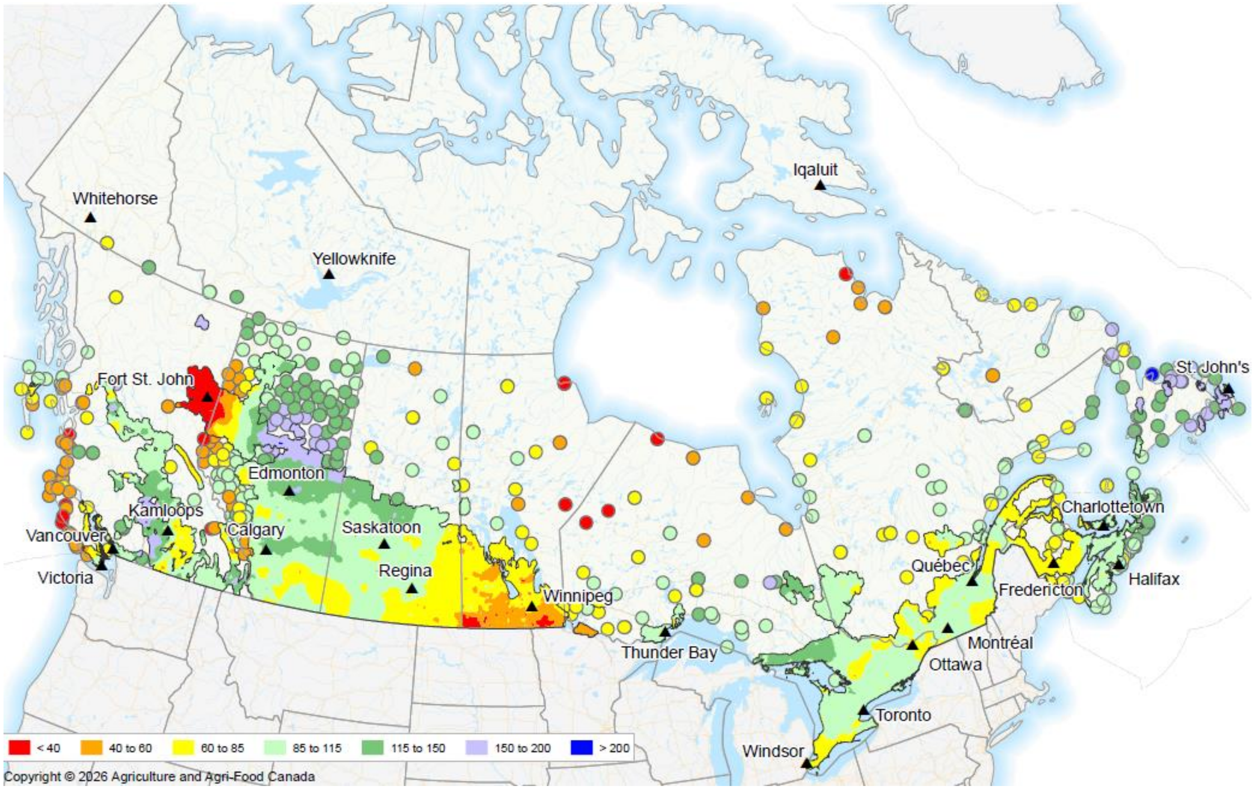
Notes: The total number of samples in 2025 are lower than they generally would be, because sample submissions were reportedly disrupted by the postal worker labor strike.

Percents may not sum to 100, due to rounding.

Winter wheat: Winter wheat production increased 17 percent to 3.6 MMT, on an increased harvested area, despite lower yields. Yields were 5.75 MT per hectare, versus 5.84 MT per hectare in 2024.

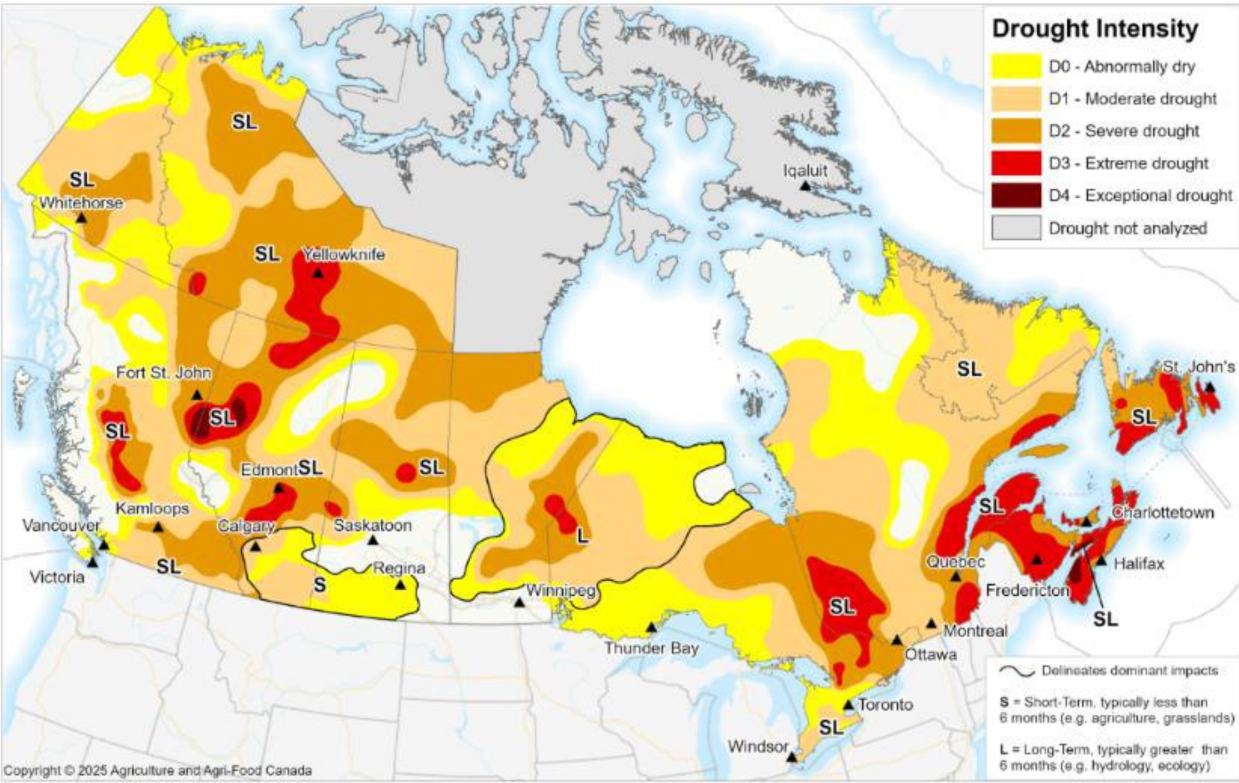
Soil conditions: Wheat-growing regions north of Edmonton, Alberta have notably received 100 to 200 percent of average precipitation over the winter months of November 1, 2025 to January 25, 2026 (see figure 1), which could help replenish soil moisture levels if there is a slow melt in the spring. The region was experiencing various levels of drought prior to the start of winter (see figure 2).

Figure 1: Winter precipitation, as percent of average precipitation, Nov. 1, 2025 to Jan. 25, 2026



Source: Agriculture and Agri-Food Canada

Figure 2: Drought conditions as of October 31, 2025



Source: Canadian Drought Monitor, Agriculture and Agri-Food Canada

EXPORTS – MY 2025/2026

Due to a 3.3 million MT upward revision in Canada's wheat production estimates, Post has revised forecasted exports by 900,000 MT for a total of 29.5 MMT, the equivalent of 67 percent of domestic supply (production plus beginning stocks). Canada's wheat industry is heavily export-orientated and in the past five years (since MY 2020/21), Canada has exported 53 to 71 percent of its total wheat supply each year.

Year-to-date, August to October, 2025 (the most recent trade data available for MY 2025/26), exports of all wheat grain varieties, wheat products, and flour, are up seven percent over the same period in the previous year, on increased exports of non-durum wheat grain.

Exports of non-durum wheat grain reached their fastest first-quarter pace on record. The largest gains, relative to the first quarter of the previous marketing year, are attributed to an additional 360,979 MT of non-durum wheat exported to Bangladesh; 289,877 MT to China; 227,715 MT to Spain; and 143,366 MT to the European Union. There were no comparable sized losses in individual markets.

Durum wheat exports are two percent above the five-year average for the first quarter, but down three percent over the same period of last year, primarily due to an easing of record-high exports to Morocco. Over the last five years (MY 2020/21 – MY 2024/25), Canada has held a dominant market share (98 percent) of Morocco's durum imports, consistent with the share in the first quarter of MY 2025/26, based on data from Trade Data Monitor, LLC.

EXPORTS – MY 2024/2025

In December, Statistics Canada increased MY 2024/25 wheat exports by 32,989 MT, due to customs data revisions to wheat grain exports, bringing total wheat exports to 29.3 MMT. The revision indicates that in MY 2024/25, Canada export 71 percent of its wheat supply, which is a record share for the country, owing to strong export demand.

IMPORTS – MY 2025/2026

Imports from August to October 2025 (the most recent trade data currently available), reached 180 TMT. By comparison, the five-year average is 159 TMT. This equates to the fastest first- quarter pace on record. This occurred for two reasons.

First, increased wheat grain imports into Alberta. Over the past three years (MY 2022/23 to MY 2024/25), an annual average of 19 percent of wheat import volume was comprised of wheat grain, while the remainder was wheat products and flour. However, in the first three months of MY 2025/26, the import share that was wheat grain increased to 32 percent, the highest seen since MY 2019/20. This is owing primarily to three months of above-average volume wheat grain imports into Alberta, coinciding with Ontario's seasonal increase in imports.

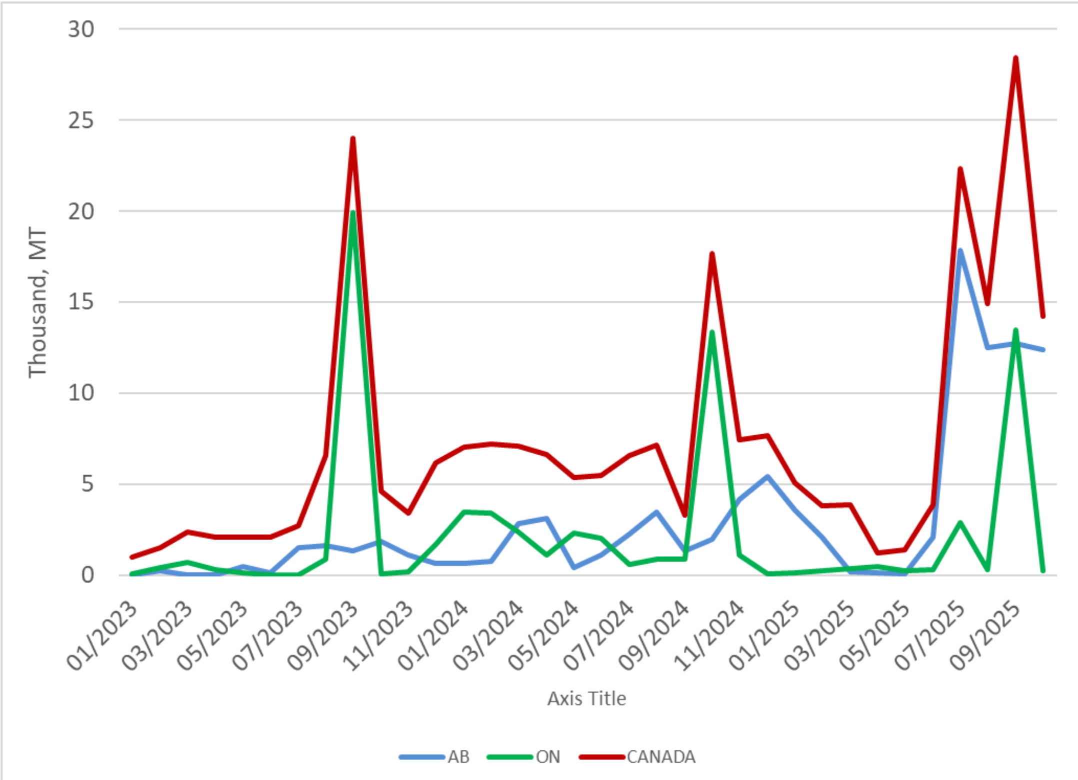
Alberta is the second largest wheat producer in Canada, but the 2025 Alberta wheat harvest produced excellent quality, particularly for CWRS, with 91 percent of the crop in the top two grades. This may have necessitated the import of feed wheat, which Alberta sourced from the United States. Albertan importers may have opportunistically jumped on low import prices (with the average price of USD $185 per MT in the months of August, September, and October), compared to 2023 and 2024 import prices (when monthly prices often hovered closer to USD $200 to USD $300 per MT). Alberta has more heads of cattle than any other province.

Secondly, while wheat products and flour are lower than the previous year (for the period August to October), they're still the second highest in Canada's history, which contributed to a strong first quarter for imports. Ontario, the most populated province in Canada, is the leading importer year-to-date.

Despite a strong start, total wheat grain and product imports are forecasted to fall marginally over the previous year on stagnant herd sizes and larger volumes of domestic feed wheat (in Saskatchewan and Manitoba) and feed-grade barley supplies.

In MY 2025/26, Canada will continue to import relatively small volumes of feed and specialty or organic wheat from the United States (relative to what it produces), owing to the fact that Canada is a net exporter.

Figure 3: Monthly wheat grain imports, '000 MT



Source: Trade Data Monitor, LLC

DOMESTIC CONSUMPTION – MY 2025/2026

Domestic consumption is forecast to be 21 percent of total supplies, in line with the three-year average.

Wheat is grown across Canada for use as human food, for livestock feed, and for industrial purposes such as ethanol production in the Prairie Provinces. Post forecasts that MY 2025/26 domestic use of wheat in Canada will increase 11 percent, primarily on feed usage.

Feed: Feed wheat usage is forecast to increase in MY 2025/26 over the previous year. CGC's preliminary results of its grain sampling program indicate a marginally higher percentage of feed quality wheat in the MY 2025/26 crop compared to the previous year, at five percent of samples versus four percent. Consider also that the total wheat crop is larger this year. The number of cattle on feed in Alberta and Saskatchewan in the first six months of the crop marketing year is on par with the previous year.

In Saskatchewan, late-season rains (September/ October) improved pasture growth, but industry contacts state that overall average hay yields remain lower than normal. This might lead to higher uptake of feed wheat in the province in MY 2025/26; however, feed wheat is not a complete substitute for hay. Wheat silage can partially replace hay in a balanced diet, and processed wheat can be used as a supplement. Feed wheat is generally fed to cattle but also sometimes poultry. For cattle feed, spring wheat is generally restricted to levels of 40 percent and durum restricted at 30 percent because of its gluten content and impact on palatability of feed. Although wheat is less prone to lodging than barley and can be grown specifically for feed, it requires careful management. Wheat is highly digestible but can lead to acidosis or other digestive issues if cattle consume too much too quickly.

Food, Seed, and Industrial: Statistics Canada no longer publishes its monthly milled wheat data. The data is now quarterly (Table 32-10-0479-01 and presented below.

Table 4: Milled wheat, '000 MT

	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025	Q2-2025	Q3-2025	Q1-Q3, 2025 as share of 2025 Canadian wheat production
Total wheat milled	797	825	842	846	852	835	870	2.2%
Western red spring wheat milled	538	557	567	567	547	550	567	1.4%
Western amber durum wheat milled	56	51	53	59	86	64	65	0.2%
Other western wheat milled	23	22	27	26	33	34	33	0.1%
Ontario winter wheat milled	143	142	147	143	135	134	156	0.4%
Other eastern wheat milled	37	51	47	51	51	53	49	0.1%

Source: Statistics Canada

Unlike barley, most of the wheat grown in Canada is intended for human food markets, and is exported. The equivalent of only about two percent of production is milled domestically. The most widely grown wheat class in Western Canada, CWRS, is regarded for its milling and baking quality. This hard wheat has high protein content and high protein quality which means it can improve the quality of a blend if milled with lower-quality wheat.

CWAD, the second most widely grown wheat class, is used for pasta making, as its high protein content is ideal for producing a firm, "al dente" texture. It is also used to produce semolina, a coarse flour used in many pasta dishes and couscous.

In response to the U.S. Inflation Reduction Act Production Tax Credit for Renewable Fuels (45Z) and the subsequent shuttering of Canadian renewable fuel plants, in 2025 British Columbia and Ontario announced domestic content requirements for ethanol and biobased diesel (i.e. biodiesel and renewable diesel). Industry states that increased domestic production could lead to increased wheat feedstock use in ethanol facilities located in the Canadian prairies.

Wheat is not the most preferred feedstock to use in ethanol production, because of its relatively high carbon intensity scoring, but it is the most plentifully available in the Canadian Prairies. Five ethanol facilities with approximately 379 million liters per year of ethanol nameplate capacity, of Canada's total ethanol capacity of 2,015 million liters per year, use wheat as an ethanol feedstock.

Prices: As of late 2025 and early 2026, the average spot price for #1 Canadian Western Amber Durum (CWAD) in Saskatchewan has softened, generally ranging between CAD $278 and CAD $325 per MT, with some reports indicating pressure pushing average prices down to around CAD $280/MT. Prices vary by region, with recent bids in Northwestern Saskatchewan around CAD $278/MT.

As of late January 2026, the spot price for No. 1 Canada Western Red Spring (CWRS) wheat in Saskatchewan ranges approximately between CAD $245 and CAD $260 per MT. Prices are generally higher in the northwest (near CAD $260/MT) compared to the southwest (near CAD $245/MT).

STOCKS – MY 2025/2026

Statistics Canada's next data release of stocks of principal field crops as of December 31, 2025, is scheduled to be published on February 6.

Most recently, in September 2025, Statistics Canada reported that total stocks of wheat fell 22 percent year over year to 4.1 MMT as of July 31. Both commercial stocks (down 10 percent to 2.4 MMT) and on-farm stocks (down 34 percent to 1.7 MMT) were down compared with one year earlier. The decrease in total wheat stocks was attributable both to stocks of wheat excluding durum (down 22 percent to 3.6 MMT) and to durum wheat stocks (down 26 percent to 496,000 MT**)**

LOGISTICS

Re-routing fertilizer exports through Northern Manitoba

Capital Briefs, and other news agencies, have reported that a renewed federal-provincial alliance is pushing forward a major northern infrastructure plan centered on the Port of Churchill, called Port of Churchill Plus. The strategy aims to connect northern Manitoba to international trade routes through Hudson Bay, expand export capacity, and integrate Indigenous leadership into the governance and development of the region. A full strategy expected to be shared publicly in spring 2026.

Currently, most grain and fertilizer produced in Canada's Prairie Provinces either moves west to the Port of Vancouver/Port of Prince Rupert, or it travels south through the United States' rail networks and ports before continuing overseas. However, growing political risk, including the possibility of tariffs, has led Canada's Prime Minister to question existing trade logistics in the United States.

In March 2025, Genesis Fertilizers announced that it is partnering with the Arctic Gateway Group (AGG), owners of the Port of Churchill, to use the port for importing fertilizer components (such as phosphate & ammonium sulphate) for their proposed Saskatchewan plant and distribution network, aiming to reduce Prairie farmer reliance on U.S. imports and leverage Churchill's strategic location for global access.

The Canadian government then announced that it will fund a feasibility study through the Arctic Research Foundation to determine how icebreakers, ice tugs and research vessels could operate from Churchill year-round.

Manitoba will invest USD $71.7 million toward capital upgrades to the Hudson Bay Railway and construction of a new critical minerals storage facility at the port.

Once Genesis Fertilizers can demonstrate that the economics work, the implications could spread to other commodities, such as grains. Shipping grain from Churchill to Europe takes 14 to 28 days, compared to shipments departing the ports in British Columbia, which can take 25 and 45+ days. An additional outcome is that American ports, railways and logistics firms could lose a significant share of Canada's export business.

However, Canada would first need to invest significantly in modernized grain handling systems, storage capacity, loading equipment, increased rail capacity, and more ice breakers.

Re-routing phosphate imports: Canada's first fertilizer terminal launches in Ontario

A Canadian fertilizer company, in partnership with the Port of Johnstown, in Eastern Ontario (across the St Lawrence River from Ogdensburg, NY), broke ground on July 29 to construct Canada's first low carbon enhanced efficiency fertilizer and commercial phosphate fertilizer terminal in the nearby township of Edwardsburgh Cardinal, Ontario. Edwardsburgh Cardinal is a 15-minute drive the port Port of Johnstown.

V6 Agronomy has reportedly stated that an initial structure will support vessel discharge capacity of up to 18,000 MT and is the first of four planned buildings that will collectively provide on-site storage for up to 150,000 MT of crop inputs. These crop inputs include enhanced efficiency fertilizers and commercial phosphates, an essential fertilizer component that Canada does not currently produce domestically. From this facility, V6 Agronomy plans to receive, store, and distribute these farm inputs.

Canada imports its entire phosphate requirement, with roughly 80 percent coming from the United States (primarily Florida) and the remainder from other international sources. A crucial supply chain route involves importing phosphate products through the Port of New Orleans and up the Mississippi River on barges. This system has created vulnerabilities in pricing and supply timing. V6 Agronomy reportedly stated that the new facility will help reshore that dependency while directly connecting to the Canadian Prairies by rail and to local farms by truck, using an integrated vessel to rail and rail to vessel logistics configuration.

Attachments:

No Attachments