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Foreign Agricultural Service
Global Market Analysis
International Production Assessment Division
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September 12, 2025

Commodity Intelligence Report

Canada In-Season Update for MY 2025/26, from the Canadian Prairies

The Canadian Prairies experienced a dynamic 2025 growing season characterized by variable conditions that generally improved throughout much of the major grain areas. Amidst recurring drought in recent years, early-season dryness and warm temperatures persisted into June as plants emerged and hindered establishment. Much-needed rain arrived in late June and into July in much of Alberta and Saskatchewan, allowing for quick crop recovery throughout the southern Prairies. However, the Peace River Valley in northern Alberta and the Interlake Region of Manitoba continued to experience worsening drought conditions.

Barley, oats, spring wheat (including durum), and canola (rapeseed) are predominant crops in the Prairie region. Planting begins in May, and harvest begins in August (see Figure 1). Early-season drought in 2025 persisted into June but was followed by timely rains in much of the southern Prairies during critical crop development stages in mid-June through July (see Figure 2). Satellite-derived Normalized Difference Vegetation Index (NDVI) analysis in late July indicated above-average vegetation vigor throughout the southern agricultural areas of the Prairie provinces (see Figure 3). In addition, 1-month Percent of Average Seasonal Greenness (PASG) analysis, a cumulative measure of crop health, indicated above-average crop conditions throughout the critical development stages in the majority of crop-growing areas in the Prairies (see Figure 4). Overall, yield expectations are average to above-average for the major crops grown in the region.

Major grain-producing areas of the Peace River Valley in Alberta and the Interlake region in Manitoba did not receive this mid-season beneficial rainfall and conditions worsened as the season progressed. Yield-reducing drought, categorized as D3 or Extreme in the Canadian Drought Monitor, was primarily limited to these areas on the periphery of the major grain-producing region (see Figure 5).

Analysts from the USDA Foreign Agricultural Service (FAS) headquarters and FAS Ottawa conducted crop assessment travel from central Saskatchewan to southern Alberta during the fourth week of July 2025. The trip included visits to farms, a grain terminal, an ethanol plant, and an agricultural research facility. Crops were observed in good health, benefiting from cooler temperatures and timely rainfall. Farmers and representatives from government and industry reported generally positive crop conditions in the travel region, with expectations for average-to-above-average yields for marketing year (MY) 2025/26.

Seasonal wildfires, thus far, have been the second worst on record in Canada, with the majority of fires occurring in Saskatchewan and Manitoba. According to the Canadian Interagency Forest Fire Center, almost 9 million hectares have burned so far, which is larger than the provincial size of New Brunswick in Canada and nearly the size of the U.S. state of Maine. A silver lining reported by some Saskatchewan farmers was cooler temperatures, as the smoke layer resulting from the fires limited solar radiation and preserved soil moisture during the drier early portion of the season.

Rapeseed

Canada is the world's largest rapeseed producer at 22 percent of world production, and the largest exporter at 39 percent of the world total (see Figure 6). An average of 54 percent of the Canadian rapeseed crop is grown in Saskatchewan and 29 percent in Alberta. Planted area is down 3 percent, year-to-year, according to the June 2025 survey update from Statistics Canada, with farmers planting less in all three provinces. Crops observed in the southern Prairies were in the flowering stage and in good to excellent condition; and farmers there expect average to above-average yields (see Figures 7-10). With yield forecasts remaining positive, USDA estimates Canada rapeseed production at 20.0 million metric tons (mmt), on an above-average yield of 2.33 metric tons per hectare (t/ha). This represents production similar to last year, despite the decrease in harvested area.

Wheat

Canada is the world's sixth largest wheat producer, accounting for 4 percent of global production, and the third largest exporter at 13 percent of the world total (see Figure 11). An average of 46 percent of Canadian wheat is grown in Saskatchewan and 30 percent in Alberta. According to Statistics Canada's June 2025 survey results, farmers reportedly planted 1 percent more wheat area than in 2024. Farmers reported planting more durum wheat overall (+2.6 percent) and less spring wheat (-0.7 percent) than last year. Farmers in southwestern Saskatchewan reported more positive durum crop prospects than in recent years when drought was more severe. Wheat was generally in good to excellent condition throughout the travel region where farmers anticipate average to above-average yields (see Figures 12 and 13). However, prolonged drought in areas such as the Peace River Valley will temper national yield expectations.[1] USDA estimates Canada's MY 2025/26 total wheat production at 36.0 mmt and yield is forecast at 3.36 t/ha, similar to last year.

Barley

Canada is the world's fourth largest barley producer with 6 percent of global production, and the sixth-largest exporter at 7 percent of the world total (see Figure 14). An average of 37 percent of Canadian barley is grown in Saskatchewan and 54 percent in Alberta. According to Statistics Canada's June 2025 survey results, farmers planted around 4

[1] The Peace River Valley produces just under 4 percent of Canada's total wheat crop, and 5 percent of the country's spring wheat.

percent less barley area than in 2024. In Alberta, where more than half of Canada's barley is grown, farmers reported planting around 6 percent less than in 2024. Despite lower area than last year and early season dryness potentially affecting quality (e.g. protein levels required for malt contracts), Canada's barley crop outlook is positive. Both two-row and six-row barley generally appeared to be in good condition throughout the travel region (see Figure 15), and farmers expect average to above-average yields. USDA estimates Canada's MY 2025/26 barley production at 8.2 mmt, similar to last year. Yield is estimated at 3.61 t/ha, 6 percent higher than last year.

Oats

Canada is the world's second largest oat producer at 16 percent of world production, and the world's leading oat exporter at 57 percent of global exports (see Figure 16). Oats are grown throughout the Prairie provinces, but particularly in Saskatchewan (46 percent of national production). Amidst strong demand and low carry-over stocks, farmers reported planting around 3 percent more oats compared to last year with the greatest increases in Alberta (around 6 percent) and Manitoba (around 6 percent), according to Statistics Canada's June 2025 survey results. Provincial reporting indicates crop conditions for oats similar to those of other grain crops of the Prairies, with average to above-average yields expected. Oat crop conditions observed in the southern Prairies during travel corroborated this reporting (see Figure 17). USDA estimates MY 2025/26 oat production to be 3.5 mmt, a 5-percent increase from last year, with yield at 3.49 t/ha, 3 percent higher than last year.

The contributions of staff at the USDA Office of Agricultural Affairs in Ottawa are gratefully acknowledged.

Canada Crop Calendar

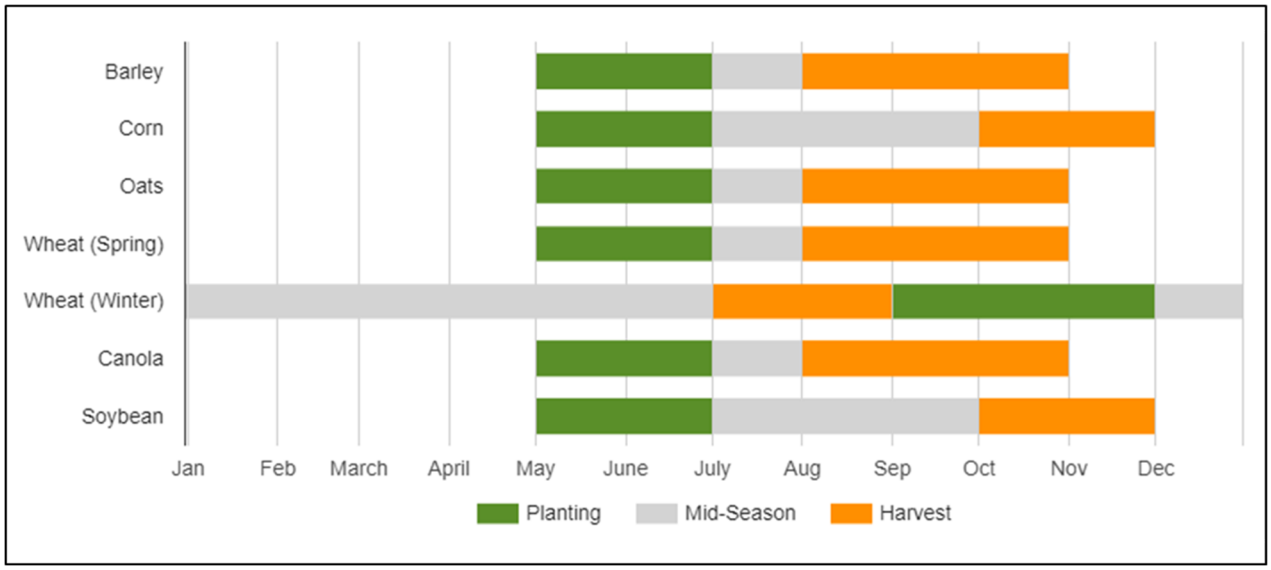

Figure 1. Crop calendar for several of Canada's major grains and oilseeds. The primary growing season begins in May, with harvest beginning in August and extending through October. Grain crops in the Canadian Prairies depend on timely rainfall during critical stages in late June through mid-July. Source: USDA Foreign Agricultural Service

Precipitation in the Canadian Prairies Croplands

June 12 to Aug 11, 2025

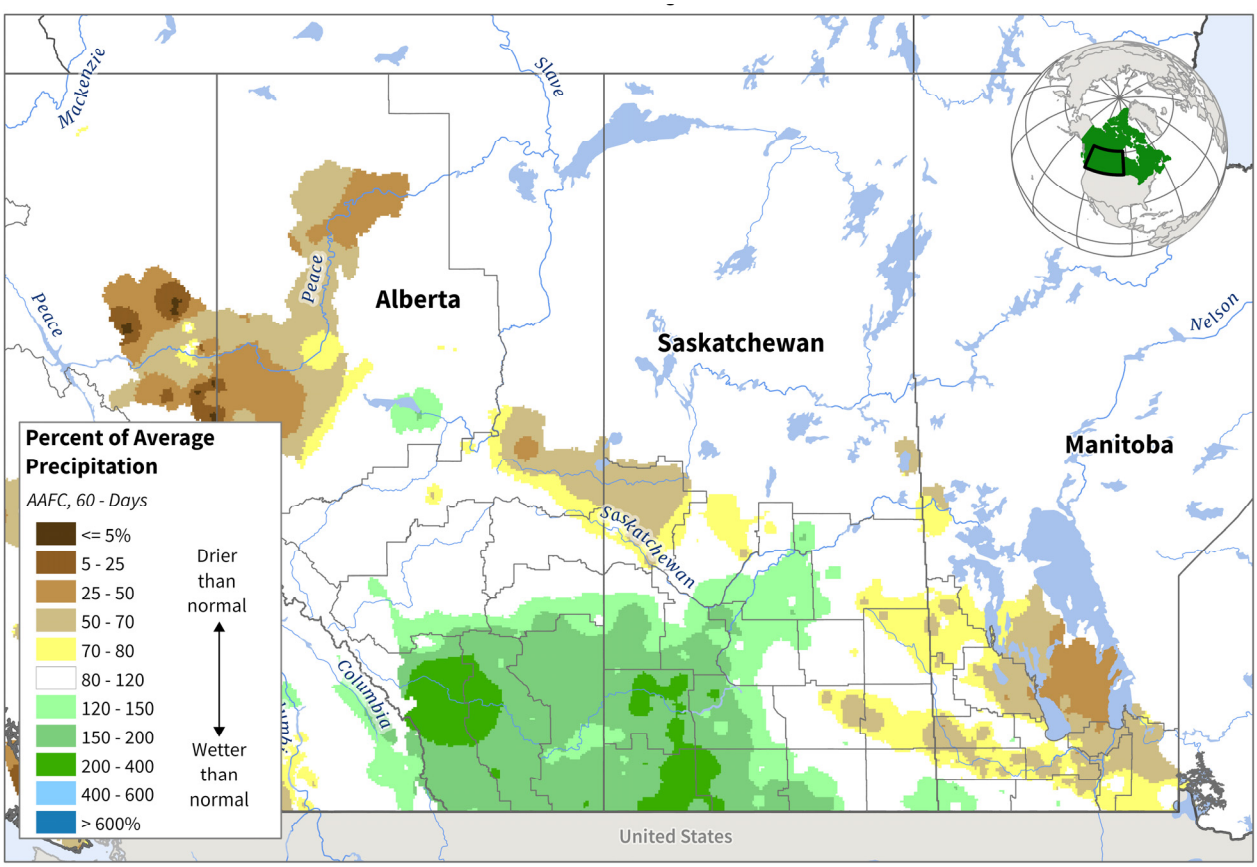

Figure 2. Dryness in the northern edge of the Prairies, from the Peace River Valley to Manitoba, during critical crop development stages in mid-June through beginning of August. While some areas of south-central Alberta and Saskatchewan received above-average precipitation, important agricultural areas such as the Peace River Valley did not. Source: Agriculture and Agri-Food Canada (AAFC) Climate Services

Canadian Prairies Croplands: NDVI Difference from Normal

July 20 to July 27,2025

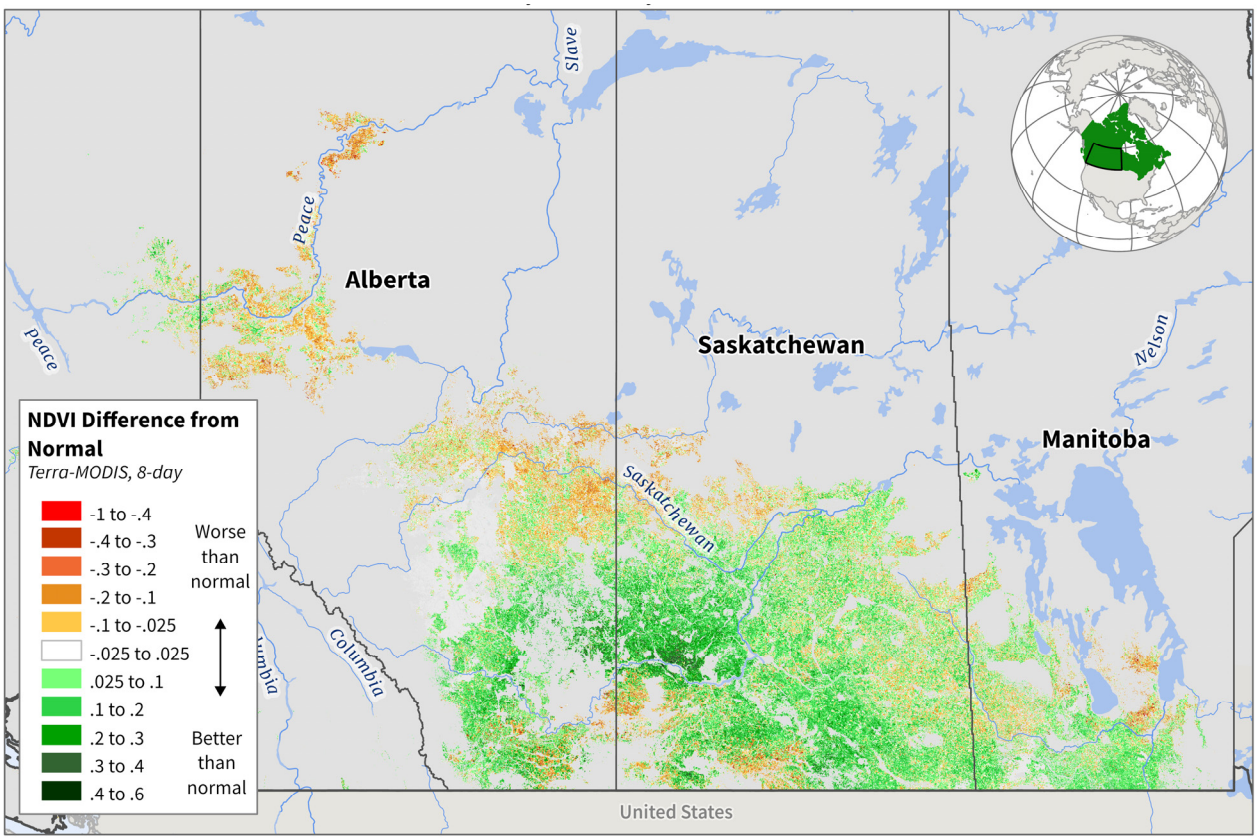

Figure 3. As crops reached maturity at the end of July, satellite-derived Normalized Difference Vegetation Index (NDVI) analysis indicated average to above-average crop conditions in the Prairies, particularly in southern Alberta and south-central Saskatchewan. NDVI analysis indicated vegetation health in the Peace River Valley was below average along with the northern parts of Alberta, Saskatchewan, and Manitoba. Sources: NASA MODIS 8-Day NDVI Anomaly; Agriculture and Agri-Food Canada (AAFC) Annual Crop Inventory 2024 Crop Mask

Canadian Prairies Croplands: Percent of Average Seasonal Greenness

June 26 to July 27,2025

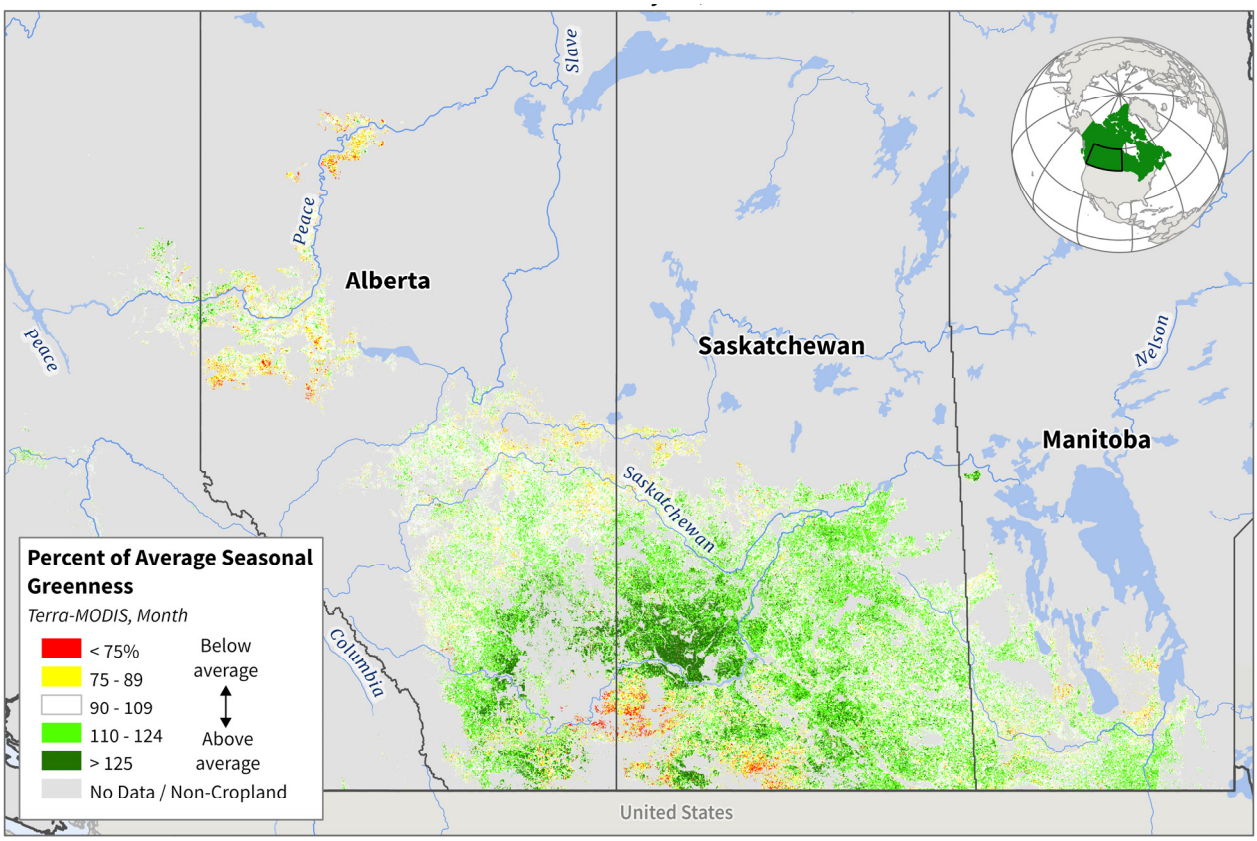

Figure 4. As crops reached maturity at the end of July, satellite-derived Percent of Average Seasonal Greenness (PASG) analysis indicated average to above-average crop conditions in much of the Prairies, particularly in east-central Saskatchewan. Sources: NASA MODIS Percent of Average Seasonal Greenness (1-month); Agriculture and Agri-Food Canada (AAFC) Annual Crop Inventory 2024 Crop Mask

Canadian Prairies: Canada Drought Monitor

Conditions as of July 31,2025

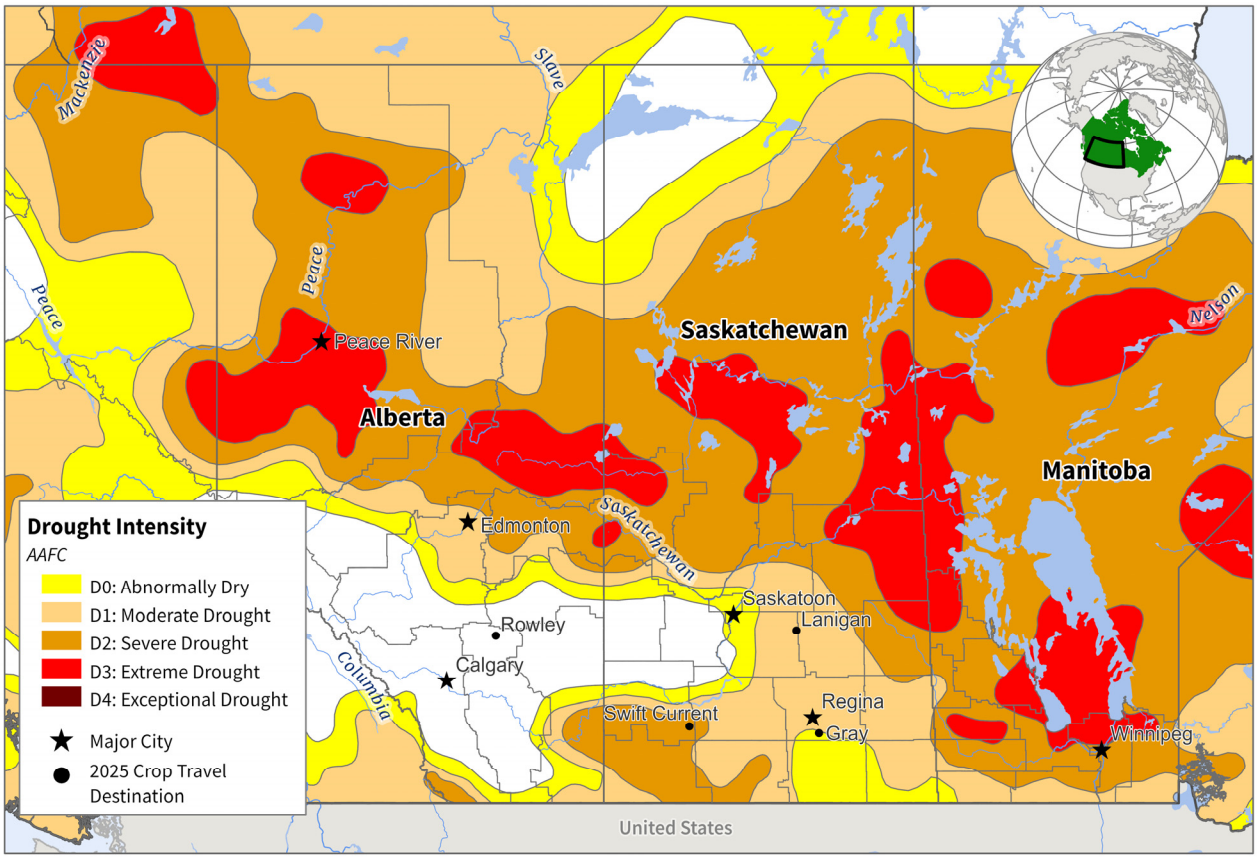

Figure 5. Dryness and drought expanded across the northern part of the agricultural region of the Prairies, as the summer progressed. Yield-reducing D3 drought conditions were observed in northern Alberta, Saskatchewan, and Manitoba. Although some dryness persisted in the central and southern Prairies, where most of the crops are grown, crop-damaging drought conditions were largely abated there by timely rainfall. Source: Agriculture and Agri-Food Canada (AAFC) Climate Services

Canada Rapeseed Production and Exports: Percent of World Total, 2025

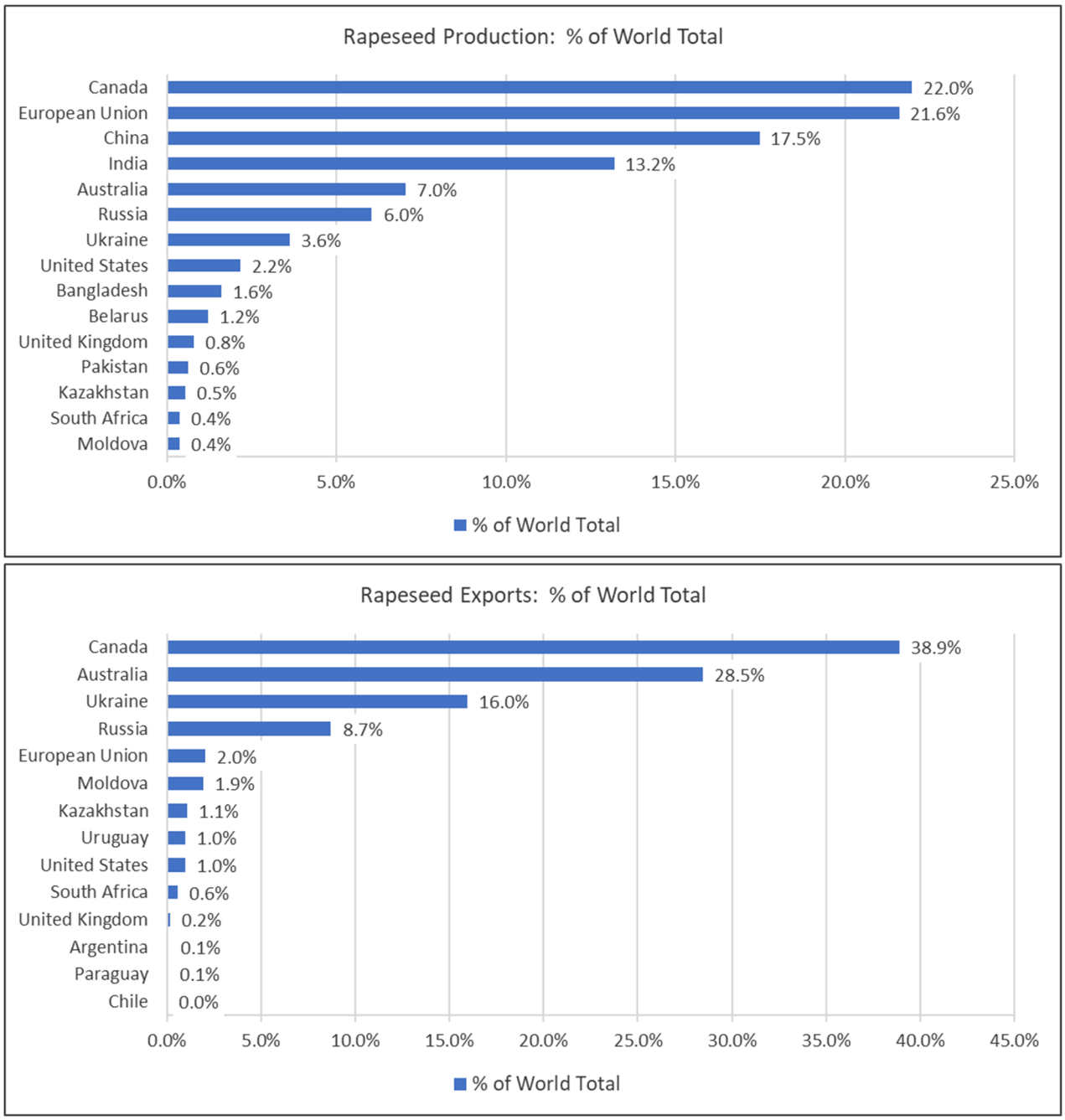

Figure 6. In 2025, Canada is the world's second-leading producer and world's largest exporter of rapeseed.
Source: USDA PSD Online (as of September 2025)

Canola (Rapeseed) in July 2025 near Lanigan, Saskatchewan

Figure 7. Canola crops observed in central Saskatchewan were in the flowering and pod-fill stages, and crop conditions were very positive. Above-average yields are expected for canola (rapeseed) in central Saskatchewan. Photo courtesy of USDA Foreign Agricultural Service, July 2025.

Canola (Rapeseed) in July 2025 in Southern Saskatchewan

Figure 8. Canola crops observed in southern Saskatchewan were in the flowering and pod-fill stages, and crop conditions were notably positive. Average to above-average yields are expected for canola (rapeseed) in southern Saskatchewan. Photo courtesy of USDA Foreign Agricultural Service, July 2025.

Canola (Rapeseed) in July 2025, South of Regina, Saskatchewan

Figure 9. Canola crops observed near Regina, Saskatchewan were in the flowering and pod-fill stages, and in positive condition. Above-average yields are expected in this region. Photo courtesy of USDA Foreign Agricultural Service, July 2025.

Canola (Rapeseed) in July 2025 near Drumheller, Alberta

Figure 10. Canola crops observed near Drumheller in southern Alberta were in the flowering and pod-fill stages, and in generally positive condition. Average to above-average yields are expected in this region. Photo courtesy of USDA Foreign Agricultural Service, July 2025.

Canada Wheat Production and Exports: Percent of World Total, 2025

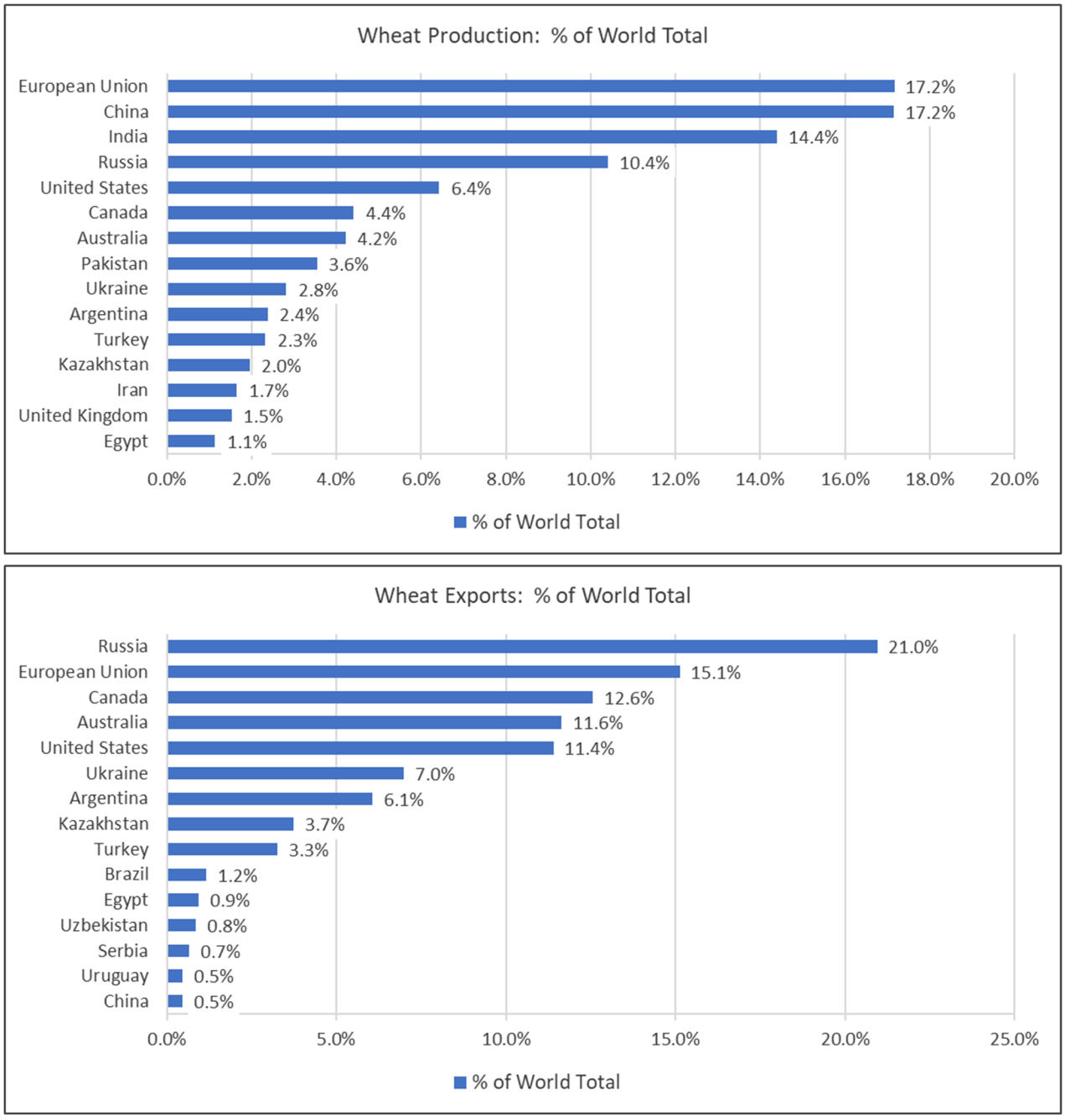

Figure 11. In 2025, Canada is the world's sixth-leading producer and third-leading exporter of wheat.
Source: USDA PSD Online (as of September 2025)

Spring Wheat in July 2025 near Lanigan, Saskatchewan

Figure 12. Spring wheat observed in central Saskatchewan was in grain fill stage and crop conditions were generally positive. Above-average yields are expected in this region. Photo courtesy of USDA Foreign Agricultural Service, July 2025.

Durum Wheat in July 2025 near Swift Current, Saskatchewan

Figure 13. Durum wheat observed near Swift Current in southwestern Saskatchewan was in grain fill stage and crop conditions were improved over recent years. Photo courtesy of USDA Foreign Agricultural Service, July 2025.

Canada Barley Production and Exports: Percent of World Total, 2025

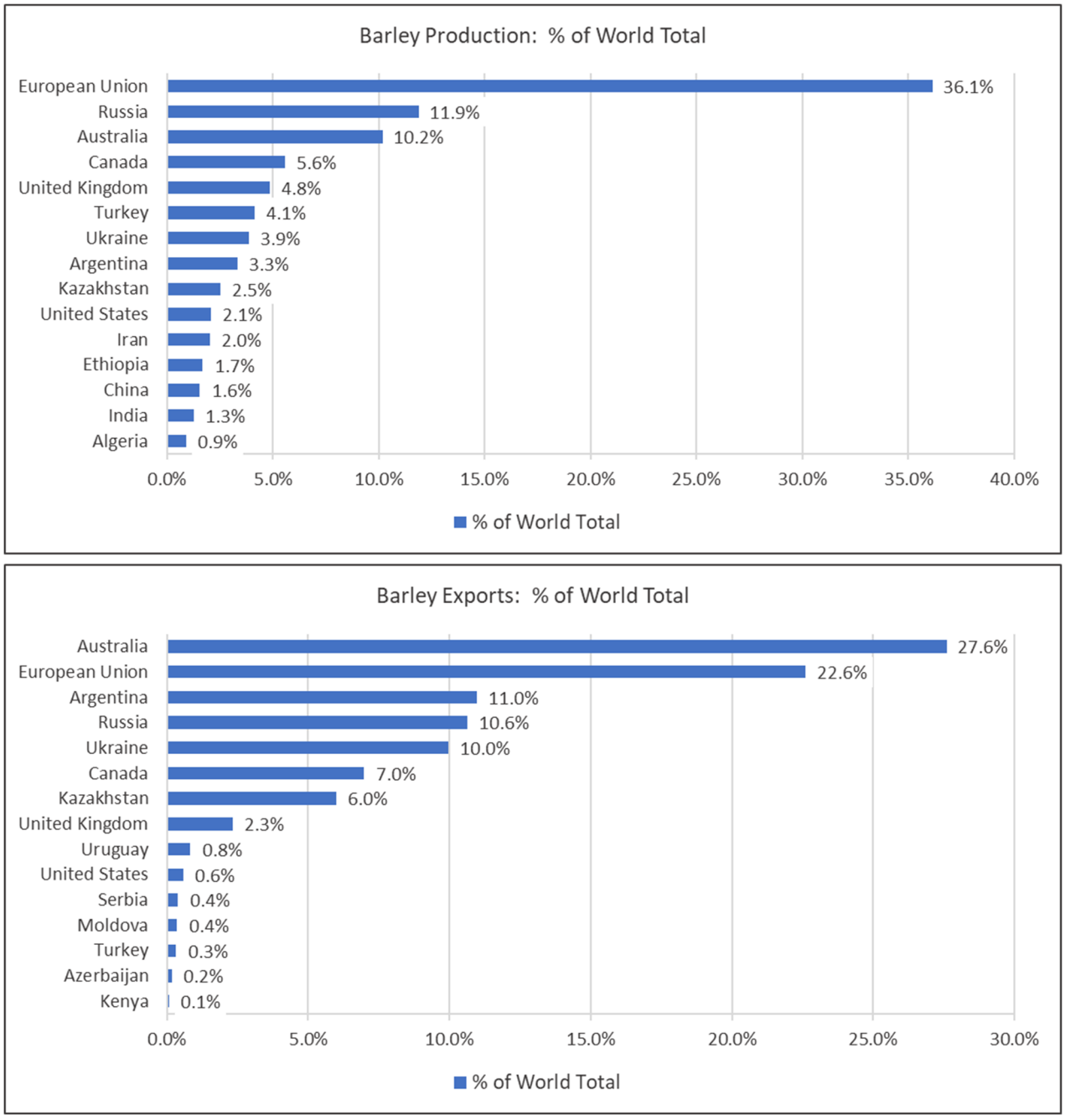

Figure 14. In 2025, Canada is the world's fourth-leading producer and sixth-leading exporter of barley.
Source: USDA PSD Online (as of September 2025)

Six-Row Barley in July 2025, South of Regina, Saskatchewan

Figure 15. Six-row feed barley was observed south of Regina, in southern Saskatchewan. Crop conditions were positive and above-average yields are expected in this region. Photo courtesy of USDA Foreign Agricultural Service, July 2025.

Canada Oats Production and Exports: Percent of World Total, 2025

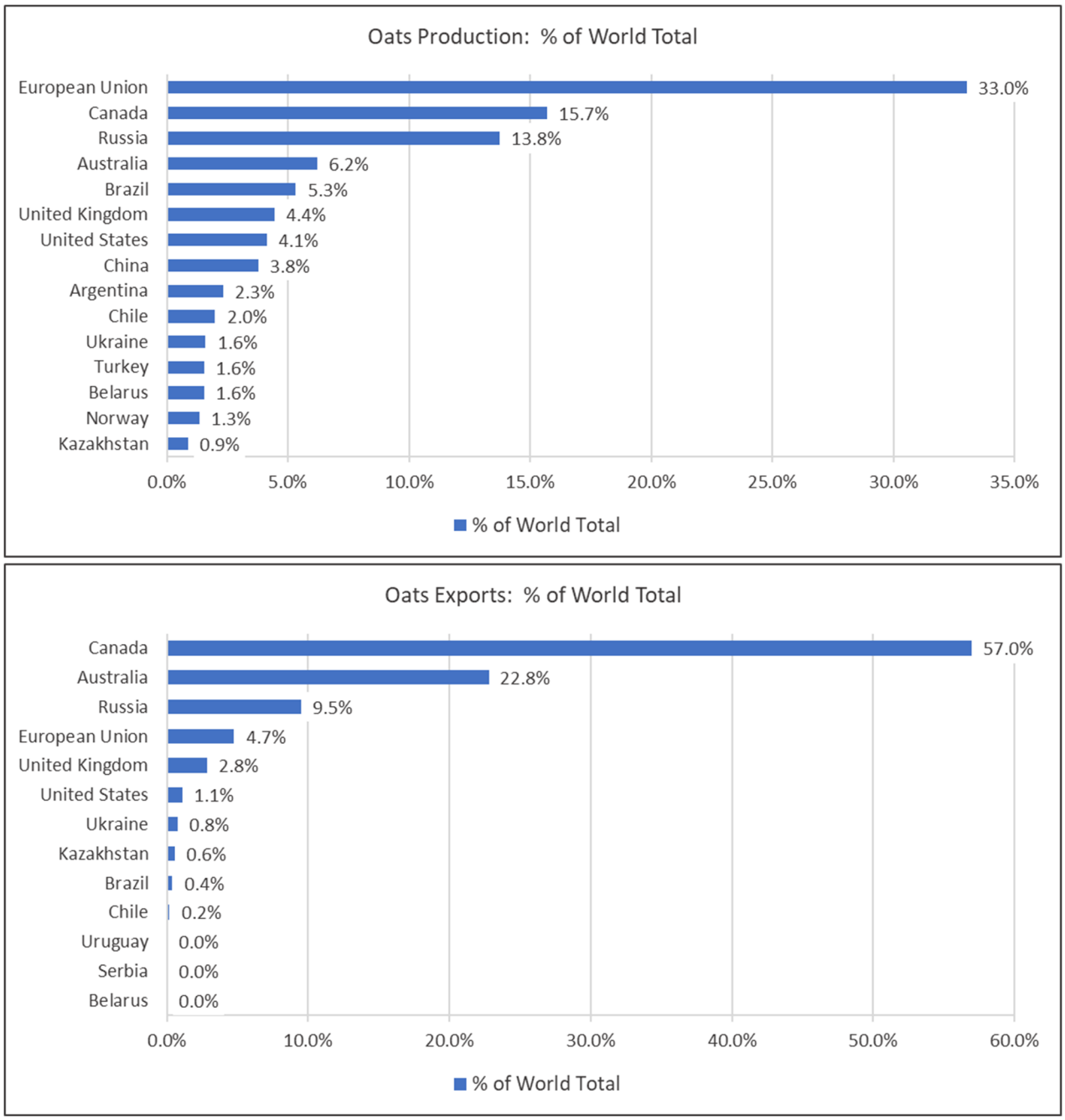

Figure 16. In 2025, Canada is the world's second-leading producer and the largest exporter of oats. Source: USDA PSD Online (as of September 2025)

Oats in July 2025 near Lanigan, Saskatchewan

Figure 17. Crop conditions were generally positive in central Saskatchewan. Above-average yields are expected for oats in this region. Photo courtesy of USDA Foreign Agricultural Service, July 2025.

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