

CANADIAN GENERAL
INVESTMENTS, LIMITED

CORPORATE INFORMATION

OFFICE OF THE
COMPANY

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STOCK EXCHANGE
LISTINGS

The Toronto Stock Exchange
Trading Symbols:
Common shares CGI.PR.A
Preferred shares CGI.PR.A
Warrants CGI.WT

The London Stock Exchange
Reuters Symbols:
Common shares CGI.L
Warrants CGI%L
Representative U.K. Broker
HSBC James Capel

The Corporation calculates
and releases its net asset
value per share (NAV) on a
daily basis. The NAV is pub-
lished in various media in
Canada, the United States
and the United Kingdom.

DIVIDEND REINVESTMENT AND
SHARE PURCHASE PLAN

This Plan offers a unique low-cost opportunity for share -
holders to increase their holdings in the Corporation,
one of Canada's largest closed-end funds. Please contact
the Plan administrator Montreal Trust Company of
Canada for details.

STATEMENT OF INVESTMENTS
June 30, 1999

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
Communications & Media		
50,000	Cogeco Cable Inc.* \$ 1,544	\$ 1,305
100,000	Imax Corporation 2,223	3,312
80,000	Quebecor Inc. B 2,341	2,864
100,000	Rogers Communications Inc. B 2,675	2,365
100,000	SHAW Communications Inc. B 1,304	5,830
100,000	Torstar Corporation B 1,751	1,655
	<u>11,838</u>	<u>17,331</u>
Conglomerates		
200,000	EdperBrascan Corporation A 4,705	4,490
	<u>4,705</u>	<u>4,490</u>
Consumer Products		
200,000	A.L. Van Houtte Ltee. 1,431	4,900
70,000	Corby Distilleries Limited B* 4,416	4,410
200,000	Forbes Medi-Tech Inc.+ 3,267	3,770
140,000	Imasco Limited+ 2,766	5,558
200,000	Maple Leaf Foods Inc.+ 2,524	2,520
125,000	Saputo Group Inc.+ 4,075	4,956
50,000	The Seagram Company Ltd. 147	3,667
	<u>18,626</u>	<u>29,781</u>
Financial Services		
180,000	CT Financial Services Inc.+ 6,082	11,781
200,000	Desjardins-Laurentian Financial Corporation A 4,786	3,210
22,300	Goran Capital Inc. 716	279
126,692	Great-West Lifeco, Inc. 935	2,946
100,000	National Bank of Canada 2,880	1,930
40,000	Royal Bank of Canada 1,961	2,600
57,500	Sceptre Investment Counsel Ltd. A 1,341	1,394
134,400	TD Waterhouse Group, Inc.* 4,787	4,958
120,000	The Toronto Dominion Bank+ 6,895	8,010
122,000	Trimark Financial Corporation 2,798	2,257
	<u>33,181</u>	<u>39,365</u>
Forest Products		
200,000	Alliance Forest Products Inc. 5,499	3,630
120,000	Donohue Inc. A 2,537	2,610
	<u>8,036</u>	<u>6,240</u>
Gold & Precious Metals		
98,850	Dia Met Minerals Ltd. A+ 1,265	2,135
189,600	Dia Met Minerals Ltd. B+ 3,840	4,835
320,000	Euro-Nevada Mining Corporation Limited 4,322	5,632
38,000	Euro-Nevada Mining Corporation Limited wts -	608
	<u>9,427</u>	<u>13,210</u>

STATEMENT OF INVESTMENTS
June 30, 1999 (cont'd)

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
Industrial Products		
200,000	ATI Technologies Inc. \$ 3,007	\$ 4,770
150,000	BCE Emergis Inc. 1,627	5,775
260,000	Bombardier Inc. B 1,613	5,850
600,000	The Caldwell Partners International Inc. A 2,450	3,600
200,000	Canadian Marconi Company 2,962	3,470
50,000	Celanese Canada Inc. 1,127	1,350
122,900	Decoma International Inc. A 1,537	1,456
88,000	DuPont Canada Inc. A 3,211	4,334
60,000	Geac Computer Corporation 2,036	1,545
205,000	Husky Injection Molding Systems Ltd. 3,120	1,589
75,000	Intertape Polymer Group Inc. 2,499	3,225
178,000	Moore Corporation Limited* 2,330	2,216
74,000	Newbridge Networks Corporation* 3,017	3,108
25,000	Nortel Networks Corporation+ 2,880	3,170
60,600	NOVA Corporation 2,107	2,091
95,000	Open Text Corporation+ 2,256	4,195
30,000	Potash Corporation of Saskatchewan Inc. 3,450	2,285
110,000	Research in Motion Limited 1,602	3,250
102,500	Ritchie Bros. Auctioneers Inc.+ 3,878	5,752
230,000	Shaw Industries Ltd. A+ 1,744	3,185
200,000	Slater Steel Inc. 2,764	2,550
150,000	Spectra Premium Industries Inc.+ 2,721	1,988
100,000	Velan Inc. 1,881	2,650
	<u>55,819</u>	<u>73,404</u>
Merchandising		
58,200	Canadian Tire Corporation, Limited A 2,240	2,503
300,000	Liquidation World Inc. 2,510	3,150
94,181	Loblaw Companies Limited 2,701	3,518
230,000	MAAX Inc. 2,657	3,657
88,900	Sobeys Canada Inc. 1,328	1,533
	<u>11,436</u>	<u>14,361</u>
Metals & Minerals		
75,000	Alcan Aluminium Limited 3,434	3,506
300,000	Boliden Limited 3,471	1,026
100,000	Cominco Ltd. 2,155	2,490
6,000,000	Denison Mines Limited 784	960
150,000	Falconbridge Limited 2,613	3,128
61,750	Inco Limited pfd. series E 3,826	3,690
220,000	Labrador Iron Ore Royalty Income Fund 2,246	2,376
331,900	Luscar Coal Income Fund 3,853	1,676
215,000	Noranda Inc. 4,062	4,171
466,000	Novicourt Inc. 2,331	1,021
1,000,000	Teck Corporation due April 30, 2024 exch. deb* 1,000	1,115
	<u>29,775</u>	<u>25,159</u>

STATEMENT OF INVESTMENTS
June 30, 1999 (cont'd)

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
Oil & Gas		
300,000	Baytex Energy Ltd. \$ 1,673	\$ 2,490
101,600	Berkley Petroleum Corp. 1,087	1,255
150,000	Canadian Hunter Exploration Ltd.+ 1,971	3,330
100,000	Canadian Occidental Petroleum Ltd. 1,949	2,375
100,000	Fracmaster Ltd. 2,464	50
90,000	Imperial Oil Limited 1,457	2,520
147,400	Morrison Middlefield Resources Limited 2,093	840
225,000	PanCanadian Petroleum Limited+ 3,629	4,950
200,000	Petro-Canada 3,153	4,020
150,000	Probe Exploration Inc. 720	81
200,000	Prudential Steel Ltd.* 1,682	1,720
250,000	Rio Alto Exploration Ltd. 1,656	5,588
115,000	Suncor Energy, Inc. 2,386	6,940
270,000	Tesco Corporation 2,241	2,133
	<u>28,161</u>	<u>38,292</u>
Pipelines		
66,200	Enbridge Inc. 2,257	2,234
263,000	TransCanada PipeLines Limited 6,603	5,458
140,000	Westcoast Energy Inc.+ 4,153	4,046
	<u>13,013</u>	<u>11,738</u>
Real Estate		
139,900	Centrefund Realty Corporation 1,779	1,945
600,000	Centrefund Realty Corporation 7.25% June 30, 2008 conv. deb. 450	486
31,700	Intrawest Corporation 762	716
	<u>2,991</u>	<u>3,147</u>
Transportation & Environment		
315,100	RaiLink Ltd. A+ 3,526	2,694
	<u>3,526</u>	<u>2,694</u>
Utilities		
140,779	Aliant Inc.* 2,873	3,160
140,000	BCE, Inc. 3,126	10,045
78,308	BCT.TELUS Communications Inc. 3,327	2,772
51,103	BCT.TELUS Communications Inc. A 1,949	1,781
100,000	Canadian Utilities Limited A 2,342	4,475
150,000	Clearnet Communications Inc. A* 2,830	3,045
90,000	Fortis, Inc. 4,074	3,078
257,900	Manitoba Telecom Services Inc. 3,852	4,604
42,200	QuebecTel Group Inc. 691	660
75,000	Teleglobe Inc. 2,909	3,266
200,000	Telesystem International Wireless Inc. 5,046	5,350
2,200,000	Telesystem International Wireless Inc. 7% February 15, 2002 conv. deb. 2,200	2,327
	<u>35,219</u>	<u>44,563</u>

STATEMENT OF INVESTMENTS
June 30, 1999 (cont'd)

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
Preferred Shares		
155,000	Falconbridge Limited pfd. series 2 \$ 3,404	\$ 3,643
69,000	Genra Inc. pfd. series G 1,404	1,111
425,000	Gulf Canada Resources Limited pfd. series A 969	1,211
	<u>5,777</u>	<u>5,965</u>
Total Investments		
- June 30, 1999	\$271,530	\$329,740
Total Investments		
- June 30, 1998	\$209,313	\$283,586

Changes from March 31, 1999
* New Holdings
+ Increased Holdings

INVESTMENT PORTFOLIO
TEN LARGEST INVESTMENTS
June 30, 1999

Company	Market Value (000's)	% of Market Value of Total Investment Portfolio
CT Financial Services Inc.	\$11,781	3.6
BCE, Inc.	10,045	3.0
The Toronto Dominion Bank	8,010	2.4
Telesystem International Wireless Inc.	7,677	2.3
Dia Met Minerals Ltd.	6,970	2.1
Suncor Energy, Inc.	6,940	2.1
Falconbridge Limited	6,771	2.1
Euro-Nevada Mining Corporation Limited	6,240	1.9
Bombardier Inc.	5,850	1.8
SHAW Communications Inc.	5,830	1.8
Totals	<u>\$76,114</u>	<u>23.1</u>

CANADIAN
GENERAL
INVESTMENTS,
LIMITED

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JUNE 30, 1999
SECOND QUARTER
REPORT

REPORT TO SHAREHOLDERS

A broader increase in the market in the second quarter and very strong performance by individual stocks in the Corporation's portfolio resulted in NAV growth of 4.8% over the six months to June 30, 1999. Adding back cash dividends paid to common shareholders and factoring in net provisions on taxes, which are recoverable in part on payment of cash dividends, would raise the net asset growth to 6.3%. This compares more favourably with Canadian equity mutual funds for which the published average return was 7.6% for the same period. The TSE 300 Total Return was 8.9% for the first half of 1999.

The very large cap Toronto 35 index continued to dominate with a 15.7% gain at June 30 but the performance gap between all indices was relatively narrow in June.

FINANCIAL STATEMENTS

Net assets of \$284,476,000 at June 30 rose in the second quarter of this year, climbing 6.3% since March 31. Basic net asset value per common share was \$15.43 compared to \$14.73 at year-end. Fully diluted net asset value per common share at June 30, 1999 was \$14.35.

Both total and net investment income continued to improve year-over-year resulting in \$85,000 in net income versus a net loss of \$855,000 a year ago. Total investment income of \$3,078,000 for the first six months of 1999 was 18.8% higher than the \$2,592,000 recorded in the corresponding period in 1998. This was largely attributable to the larger portfolio base as a result of the \$60,000,000 preference share issue in the fall of 1998. Year-to-date total expenses of \$3,803,000 were 9.4% lower than for 1998; however, 1998 results were impacted by the \$2,165,000 interest portion of a litigation payment. Substantially offsetting this difference were preference share costs of \$1,777,000 in 1999.

Net realized gain on investments over six months to June 30, 1999 was \$5,561,000, compared with a net realized gain of \$13,604,000 for the same period in 1998. The change in unrealized appreciation of investments was also positive in the most recent six month period with a gain of \$9,532,000, versus a decline of \$14,413,000 a year ago.

PORTFOLIO

Among the top ten portfolio positions two name changes occurred in the second quarter. Exiting the list was the thinly traded A.L. Van Houtte Ltee., in which partial profit was taken, and Sobeys Canada Inc. which was sold to realize a good gain and to reduce the overweighted merchandising group. Shaw

Communications Inc. moved up into the list with strong share price appreciation. Dia Met Minerals Ltd. also became a new constituent with our additional purchases recognizing the successful start up of diamond extraction and marketing. Strength continued in CT Financial Services Inc. and in BCE, Inc., joined by the strongly advancing Toronto Dominion Bank. These three holdings were valued collectively at \$30 million versus \$26 million at the end of the first quarter. The reasons are well known - sale of CT is thought to be imminent while BCE is strengthening with its quoted subsidiary interests, headed by Nortel. TD has gained mainly on perception of the value of its global discount operations, TD Waterhouse, which went public in late June.

At the present time we are tending to build bigger individual holdings in our continuing effort to narrow the gap between the Fund and the benchmark index.

Resource sectors other than gold were clear leaders in the stronger market in the latest quarter. CGI is well represented in mines, oil and gas stocks. However, the substantial holding in Euro Nevada Mining has been eliminated subsequent to quarter end as we expect pressure on the already weak golds sector to be worsened by gradual disposal of reserves by the UK government.

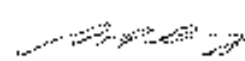
OUTLOOK

Moderate economic growth, at least at the 2% level, seems likely to further support the Canadian market together with firming resource sectors. The current reliability of the U.S. economy is a big plus for Canada. Our impressive technology sector should be well served if the computer and telecommunications related investment sectors maintains their phenomenal strength.

A broad return to favour of the Canadian banking sector would also be useful. We note that without the TD Bank's +28% contribution this important group would actually have declined about 11.3%. This suggests that index tracking should not always be expected to be the winner.



E. Louise Morgan
Chairman



Michael A. Smedley
President

CGI has adopted the new financial statement reporting format recommended in a Canadian Institute of Chartered Accountants Research Report for investment funds. Prior year figures have been restated to reflect the new format.

STATEMENT OF NET ASSETS

(Unaudited)

As at June 30,	1999	1998
	(000's)	
ASSETS		
Investments	\$329,740	\$283,586
Cash and short-term investments	2,763	4,682
Receivable on securities sold	5,247	4,687
Accrued interest and dividends	552	412
Income taxes recoverable	9,000	4,501
Deferred financing charge	1,412	-
Total Assets	348,714	297,868
LIABILITIES		
Payable on securities purchased	4,020	898
Accounts payable and accrued liabilities	85	166
Accrued dividends on preference shares	133	-
Preference shares	60,000	-
Total Liabilities	64,238	1,064
Net Assets	\$284,476	\$296,804
SHAREHOLDERS' EQUITY		
Common shares	\$ 95,122	\$ 84,481
Unrealized gain on investments	58,210	74,273
Retained earnings	131,144	138,050
	\$284,476	\$296,804
Number of common shares outstanding	18,441,872	18,441,872
Net asset value per common share		
- basic	\$15.43	\$16.09
Net asset value per common share		
- fully diluted	\$14.35	\$15.00

STATEMENT OF NET REALIZED GAIN ON INVESTMENTS

(Unaudited)

Six months ended June 30,	1999	1998
	(000's)	
Proceeds from disposition of investments	\$ 82,092	\$ 98,550
Investments at cost, beginning of period	262,876	202,700
Investments purchased during the period	82,492	84,995
Investments at cost, end of period	(271,530)	(209,313)
Cost of investments disposed of during the period	73,838	78,382
Realized gain on disposition of investments before income taxes	8,254	20,168
Income taxes on realized net taxable capital gains	2,693	6,564
Net realized gain on investments	\$ 5,561	\$ 13,604

STATEMENT OF OPERATIONS

(Unaudited)

Six months ended June 30,	1999	1998
	(000's)	
INVESTMENT INCOME		
Dividends	\$ 2,747	\$ 2,284
Interest	305	282
Miscellaneous	26	26
Total investment income	3,078	2,592
EXPENSES		
Management fees	1,702	1,671
Interest related to issuer bid litigation	-	2,165
Dividends on preference shares	1,611	-
Amortization of deferred financing charge	166	-
Directors' fees	58	73
Miscellaneous	266	288
Total expenses	3,803	4,197
Investment loss before income taxes	(725)	(1,605)
Income tax recovery	810	750
NET INVESTMENT INCOME (LOSS)	85	(855)
REALIZED AND UNREALIZED GAIN ON INVESTMENTS		
Net realized gain on investments	5,561	13,604
Change in unrealized appreciation of investments	9,532	(14,413)
NET GAIN (LOSS) ON INVESTMENTS	15,093	(809)
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	\$ 15,178	\$ (1,664)

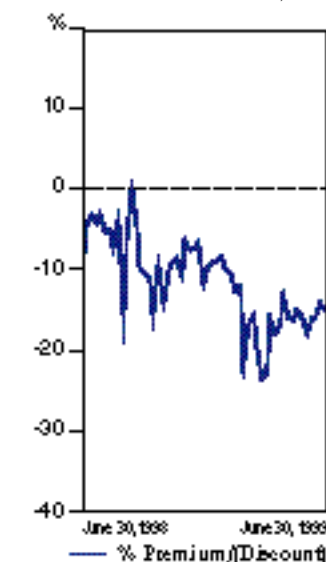
STATEMENT OF CHANGES IN NET ASSETS

(Unaudited)

Six months ended June 30,	1999	1998
	(000's)	
INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ 15,178	\$ (1,664)
DISTRIBUTIONS TO COMMON SHAREHOLDERS		
From net investment income (loss)	(1,383)	(1,307)
From net realized gain on investments	(1,383)	(8,287)
Total distributions	(2,766)	(9,594)
Income taxes recoverable on distributions from net realized gain on investments	451	2,704
Net decrease (increase) in refundable dividend tax on hand	45	(348)
Net distributions to common shareholders	(2,270)	(7,238)
CAPITAL SHARE TRANSACTIONS		
Shares issued on reinvestment of distributions	-	5,236
OTHER		
Payment pursuant to issuer bid litigation	-	(6,725)
INCREASE (DECREASE) IN NET ASSETS	12,908	(10,391)
NET ASSETS - BEGINNING OF PERIOD	271,568	307,195
NET ASSETS - END OF PERIOD	\$284,476	\$296,804
DISTRIBUTIONS PER COMMON SHARE		
Regular dividends	\$0.075	\$0.075
Capital gains dividends	\$0.075	\$0.475
	\$0.150	\$0.550

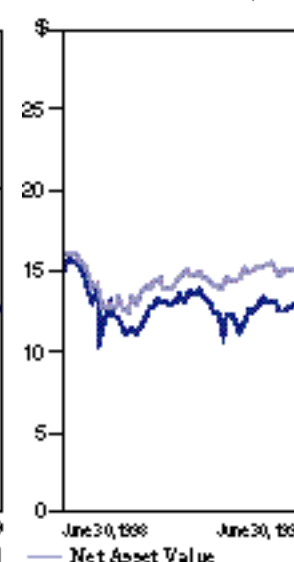
PREMIUM/(DISCOUNT) TO NAV

Twelve months ended June 30, 1999



COMPARISON OF MARKET PRICE TO BASIC NAV

Twelve months ended June 30, 1999

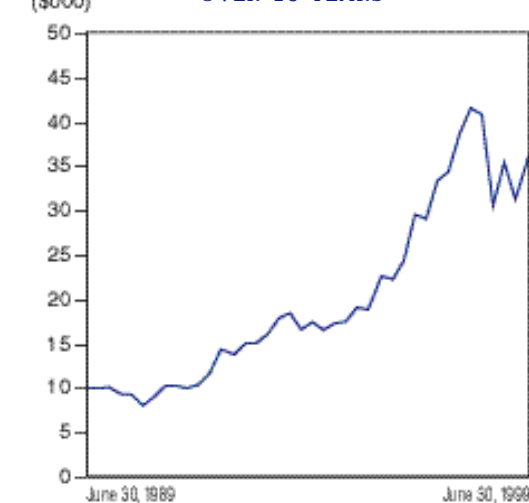


*RATES OF RETURN

For periods ended June 30, 1999

1YR	3YR	5YR	10YR
-11.4%	17.6%	15.6%	13.7%

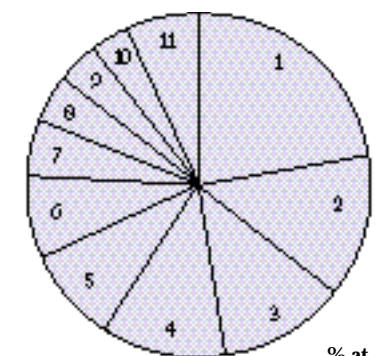
*GROWTH OF A \$10,000 INVESTMENT OVER 10 YEARS



*Assuming reinvestment of distributions at month-end closing prices.

WEIGHTING OF PORTFOLIO INVESTMENTS SECTOR ANALYSIS

June 30, 1999



	% at Market
1 Industrial Products	22.3
2 Utilities	13.5
3 Financial Services	11.9
4 Oil & Gas	11.6
5 Consumer Products	9.0
6 Metals & Minerals	7.6
7 Communications & Media	5.3
8 Merchandising	4.4
9 Golds & Precious Metals	4.0
10 Pipelines	3.6
11 Other Sectors	6.8

YEAR 2000

The "Year 2000" issue refers to the possibility that on January 1, 2000 some computer systems may function improperly because they use two digits to identify the year, rather than four.

MMA Investment Managers Limited (the "Manager") provides critical portfolio record keeping and accounting services to the Corporation. The Manager has offered assurance of Year 2000 compliance, with all testing and remediation work being done early enough to assure no deterioration of services in the 21st century. The Manager's Year 2000 program has a scheduled completion date of September 1999. The Corporation is continuing to monitor the work being performed on the relevant computer systems of all its key service vendors. CGI's contingency planning for Year 2000 issues is dependent upon the contingency planning of these key vendors. With respect to new vendors, only those that are Year 2000 compliant are being accepted by the Corporation and the Manager.

With respect to portfolio investments, the Corporation is not aware of any investee company not taking appropriate steps to mitigate the risk to the Year 2000 issue. The financial condition of investee companies may be affected by systems failures, remediation costs, and overall economic uncertainties.

There continues to be uncertainty as to how the capital markets will be affected in the year 2000, particularly because of the widespread use of computers in the world economy. While the Corporation believes that it is taking appropriate action to address the Year 2000 issue, all investors - including investors in the Corporation - may be adversely affected by events beyond their control or expectation. It is also possible that the markets for securities in which the Corporation invests may be adversely affected by computer failures, which may result in liquidity issues and settlement problems.