

CONSOLIDATED STATEMENT OF INVESTMENTS
June 30, 1999

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
Principal Assets		
6,882,268 Canadian General Investments, Limited	\$ 17,488	\$ 90,158
1,376,932 Canadian General Investments, Limited wts	-	6,953
1,120,211 Canadian World Fund Limited	5,601	5,153
	<u>23,089</u>	<u>102,264</u>
Canadian-Listed		
40,000 AEC Pipelines, L.P.*	322	328
40,000 Amalgamated Income Limited Partnership	410	354
40,000 Associated Freezers Income Trust	425	312
33,600 Centrefund Realty Corporation	519	467
14,400 Corby Distilleries Ltd. B	484	907
115,476 The First Asia Income Fund	953	630
50,000 The First Asia Income Fund wts	30	1
40,950 First Australia Prime Income Investment Company Limited+	546	399
4,550 First Australia Prime Income Investment Company Limited wts*	1	1
100,000 Gulf Canada Resources Limited pfd. series A	441	285
75,000 H & R Real Estate Investment Trust	615	881
69,700 Halterm Income Fund	691	505
25,000 OPTUS Natural Gas Distribution Income Fund	504	541
100,000 Rogers Sugar Income Fund	954	680
90,000 Shiningbank Energy Income Fund	565	936
70,000 Superior Propane Income Fund	715	1,120
500,000 Telesystem International Wireless Inc.		
7% February 15, 2002 conv. deb.	500	529
80,000 Westshore Terminals Income Fund	762	480
	<u>9,437</u>	<u>9,356</u>
U.K.-Listed		
234,000 Aberdeen Preferred Income Trust PLC	901	877
17,000 Atlantis Korean Smaller Companies Fund*	359	379
300,000 Baring Emerging Europe Trust PLC	412	768
200,000 Dartmoor Investment Trust PLC+	306	838
250,000 Foreign & Colonial Special Utilities Investment Trust PLC Income shares	494	409
400,000 The Gartmore Scotland Investment Trust PLC	460	323
200,000 Govett Enhanced Income Investment Trust PLC	481	470
1,200,000 Investors Capital Trust PLC Income Annuity shares	609	501
255,000 Ivory and Sime ISIS Trust PLC CV Annuity shares	483	278
1,000,000 Lloyds Smaller Companies Investment Trust PLC Dividend shares	495	354

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

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
U.K.-Listed (continued)		
435,000 M & G Equity Investment Trust PLC Income shares	\$ 449	\$ 434
600,000 M & G Recovery Investment Trust PLC Income shares	386	299
154,105 Quarterly High Income Trust PLC*	478	490
271,000 Reabourne Merlin Life Sciences Investment Trust PLC*	421	412
41,818 Royal & Sun Alliance Insurance Group PLC*	597	552
495,000 Second St. David Investment Trust PLC Capital shares	331	178
255,000 Yeoman II Investment Trust PLC Income shares	736	609
	<u>8,398</u>	<u>8,171</u>
U.S.-Listed		
20,000 The European Warrant Fund, Inc.	563	467
27,500 Fidelity Advisor Korea Fund, Inc.+	244	405
10,000 General American Investors Company, Inc.	508	482
10,000 The Germany Fund, Inc.	256	208
20,400 INVESCO Global Health Sciences Fund+	521	477
14,800 The Irish Investment Fund Inc.	467	360
10,700 Morgan Stanley Dean Witter Russia & New Europe Fund	185	238
27,100 Morgan Stanley Emerging Markets Debt Fund, Inc.	302	322
22,500 The Spain Fund Inc.	639	497
12,700 Templeton Emerging Markets Fund, Inc.	249	278
66,300 Templeton Emerging Markets Income Fund, Inc.	1,116	1,061
30,000 Templeton Russia Fund, Inc.	670	781
	<u>5,720</u>	<u>5,576</u>
Other		
722,700 CBD Property Fund	405	282
787,000 Centrecity Property Fund Ltd.	414	346
105,540 City of London Investment Group PLC	2,716	2,716
13,000 Fleming Russia Securities Fund Ltd.	326	124
218,762,205 Mesbla S.A.	1,071	-
80,566 Robert Fleming Holdings Limited*	2,365	2,365
	<u>7,297</u>	<u>5,833</u>
Total Investments		
- June 30, 1999	\$ 53,941	\$ 131,200
Total Investments		
- June 30, 1998	\$ 59,138	\$ 156,915
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
Canadian General Investments, Limited	\$ 97,111	74.0
Canadian World Fund Limited	5,153	3.9
City of London Investment Group PLC	2,716	2.1
Robert Fleming Holdings Limited	2,365	1.8
Superior Propane Income Fund	1,120	0.9
Templeton Emerging Markets Income Fund, Inc.	1,061	0.8
Shiningbank Energy Income Fund	936	0.7
Corby Distilleries Ltd.	907	0.7
H & R Real Estate Investment Trust	881	0.7
Aberdeen Preferred Income Trust PLC	877	0.7
Totals	\$113,127	86.3

WEIGHTING OF INVESTMENT PORTFOLIO
June 30, 1999

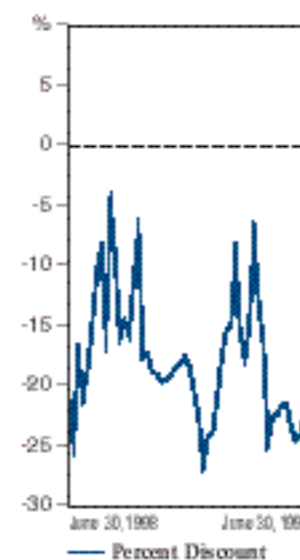
	Market Value (\$000's)	% at Market
Principal Assets	102,264	77.9
Canadian-Listed	9,356	7.1
U.K.-Listed	8,171	6.2
Other	5,833	4.5
U.S.-Listed	5,576	4.3
	<u>131,200</u>	<u>100.0</u>

HIGH INCOME SECTOR PORTFOLIO YIELD (%)*
Twelve months ended June 30, 1999

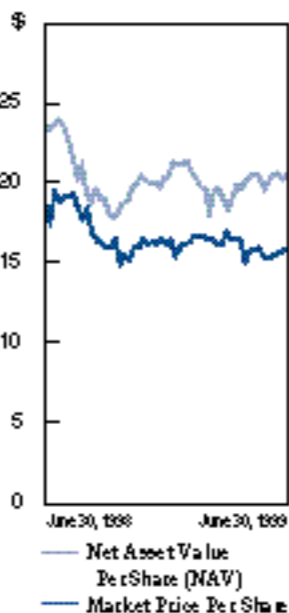
Canadian-Listed	10.3
U.K.-Listed	14.8
U.S.-Listed	17.5

*Represents total distributions as a percent of the period end market price.

DISCOUNT TO NAV
Twelve months ended June 30, 1999



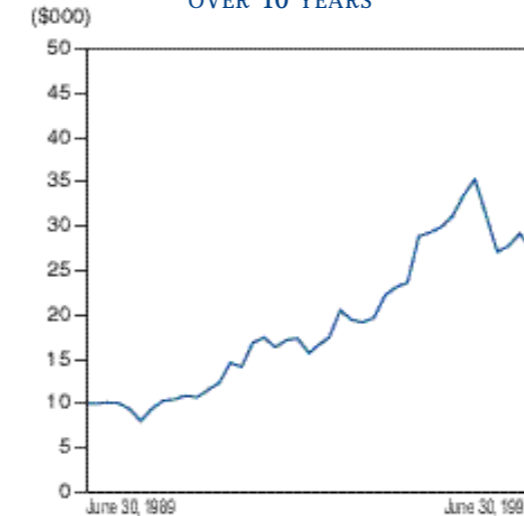
COMPARISON OF MARKET PRICE TO NAV
Twelve months ended June 30, 1999



***RATES OF RETURN**
For periods ended June 30, 1999

1YR	3YR	5YR	10YR
-11.9%	6.0%	12.0%	10.7%

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



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

THIRD CANADIAN GENERAL INVESTMENT TRUST LIMITED



JUNE 30, 1999
SECOND QUARTER
REPORT

REPORT TO SHAREHOLDERS

The second quarter was a period of recovery in major portfolio investments for the Company. The market value of Canadian General Investments, Limited (CGI), of which Third Canadian holds 37.3% of the total shares outstanding, rose 14.9%, or 13.5% inclusive of the holding in CGI's warrants. Among the global portfolio investments, the Asian and Russian stocks appreciated strongly and could continue to rebuild in contrast with last year's steep descent.

FINANCIAL RESULTS

Comparisons with the prior year period continue to be unfavourable as the major bear market correction in 1998 did not occur until the third quarter. It is pleasing to note, however, that total net assets rose in the second quarter this year to \$99,045,000 from \$90,446,000 at the end of March, and on a per share basis, net assets rose to \$20.61 from \$18.82. This was a gain of 9.5%, compared with a gain of 6.3% for the TSE 300 Composite Index.

Net investment income grew moderately over the latest quarter to \$885,000 for the six month period, an increase of 7.9% over last year.

Total expenses were \$789,000 for the six months, compared with \$403,000 at March 31. The decline in expenses for the half year, when compared with the year ago figure of \$1,806,000, was considerable as costs related to a now ended litigation were finalized in 1998. Management fees of \$262,000 for the six months were considerably below the 1998 comparative of \$358,000 as the prior period's fees were based on higher portfolio assets before the bear market correction, and before the reduction of bank borrowings used to leverage the portfolio.

OTHER INVESTMENTS

Financial assets held by Third Canadian for long term growth include the following. The Company holds 11.3% of the issued shares of City of London Investment Group PLC (COLIG), an unquoted institutional investor in emerging markets closed-end funds. In the revival in emerging markets over the past few months, assets under management at COLIG have doubled to approximately U.S. \$920 million from the market low. During the latest quarter, Third Canadian made an investment in a significant private investment banking and fund management

group, Robert Fleming Holdings Limited (Flemings), which operates in 45 countries and dates back to 1873 when the founder helped to form the first Scottish investment trust to invest in the American economy. Flemings recently reported £66.7 billion in global assets under management.

Apart from CGI, only Canadian World Fund Limited (CWF), a 3.9% portfolio weighting, outranks the above holdings in size. CWF has been building assets lately under a strategy to establish larger individual portfolio holdings and utilize up to \$3,000,000 in bank borrowings with the objective of accelerating growth.

The other "Top Ten" holdings of Third Canadian are dedicated to income. This strategy was producing running yields as at June 30 of 10.3% under "Canadian Listed", 14.8% from "U.K. Listed" and 17.5% under "U.S. Listed".

SHARE DISCOUNT

At June 30, the common shares of Third Canadian traded at an unusually wide 22.4% discount to net asset value and through the quarter averaged 20.2%, compared with 17.9% in the first quarter and 17.3% in the final quarter of 1998.

OUTLOOK

The shares of Third Canadian are expected to appreciate if the share value of CGI responds to a Canadian market rising in conditions of at least moderate economic growth and stable consumer confidence, aided by further advances in the resources sector. We also expect international positions to continue their "momentum recovery" from last year's correction, particularly Asia.

E. Louise Morgan Michael A. Smedley
Chairman President

Third Canadian has adopted a 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 this new format.

CONSOLIDATED STATEMENT OF NET ASSETS

(Unaudited)

As at June 30,	1999	1998
	(000's)	
ASSETS		
Investments	\$131,200	\$156,915
Cash	3	1,423
Receivable on securities sold	1,109	159
Accrued interest and dividends	186	414
Income taxes recoverable	1,491	948
Total Assets	133,989	159,859
LIABILITIES		
Bank indebtedness	15,293	19,961
Payable on securities purchased	421	-
Accounts payable and accrued liabilities	31	63
	15,745	20,024
Deferred income taxes	19,199	26,918
Total Liabilities	34,944	46,942
Net Assets	\$ 99,045	\$112,917
SHAREHOLDERS' EQUITY		
Capital stock	\$ 6,504	\$ 6,504
Contributed surplus	2,681	2,681
Unrealized gain on investments	58,060	70,828
Retained earnings	31,800	32,904
	\$ 99,045	\$112,917
Number of common shares outstanding	4,805,910	4,805,910
Net asset value per share	\$20.61	\$23.50

CONSOLIDATED STATEMENT OF NET REALIZED GAIN (LOSS) ON INVESTMENTS

(Unaudited)

Six months ended June 30,	1999	1998
	(000's)	
Proceeds from disposition of investments	\$ 5,838	\$ 13,191
Investments at cost, beginning of period	53,215	62,252
Investments purchased during the period	8,299	8,071
Investments at cost, end of period	(53,941)	(59,138)
Cost of investments disposed of during the period	7,573	11,185
Realized gain (loss) on disposition of investments before income taxes	(1,735)	2,006
Income tax recovery on allowable capital losses	(580)	(21)
Realized gain (loss) on disposition of investments	(1,155)	2,027
Capital gains dividends received net of income taxes	344	758
Net realized gain (loss) on investments	\$ (811)	\$ 2,785

CONSOLIDATED STATEMENT OF OPERATIONS

(Unaudited)

Six months ended June 30,	1999	1998
	(000's)	
INVESTMENT INCOME		
Dividends	\$ 1,636	\$ 2,711
Interest related to issuer bid litigation	-	667
Interest	197	89
Total investment income	1,833	3,467
EXPENSES		
Management fees	262	358
Interest related to issuer bid litigation	-	825
Interest expense	426	515
Directors' fees	17	18
Regulatory and transfer agent fees	23	24
Miscellaneous	61	66
Total expenses	789	1,806
Investment income before income taxes	1,044	1,661
Income tax provision	159	841
NET INVESTMENT INCOME	885	820
REALIZED AND UNREALIZED GAIN ON INVESTMENTS		
Net realized gain (loss) on investments	(811)	2,785
Change in unrealized appreciation of investments	1,596	4,114
NET GAIN ON INVESTMENTS	785	6,899

INCREASE IN NET ASSETS FROM OPERATIONS

\$ 1,670 \$ 7,719

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(Unaudited)

Six months ended June 30,	1999	1998
	(000's)	
INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		
	\$ 1,670	\$ 7,719
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(721)	(721)
OTHER		
Payment pursuant to issuer bid litigation	-	(2,564)
INCREASE IN NET ASSETS	949	4,434
NET ASSETS - BEGINNING OF PERIOD		
	98,096	108,483
NET ASSETS - END OF PERIOD	\$ 99,045	\$112,917
DISTRIBUTIONS PER SHARE		
Dividends	\$0.15	\$0.15

THIRD CANADIAN GENERAL INVESTMENT TRUST LIMITED

CORPORATE INFORMATION

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STOCK EXCHANGE LISTING

The Toronto Stock Exchange
Trading Symbol: THD

REGISTRAR AND TRANSFER AGENT

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To change your address,
eliminate multiple mailings,
or for other shareholder
account inquiries, please
contact Montreal Trust at the
above address.

**The Company prices its
portfolio on a weekly basis,
and its resultant Net Asset
Value per share is released
and published in various
media in Canada and in the
United States.**

**The Company will provide
a list of its weekly top 10
portfolio holdings (priced at
market), together with current
discount and market return
information to any interested
party upon request.**

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 Company. 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 Company is continuing to monitor the work being performed on the relevant computer systems of all its key service vendors. Third Canadian'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 Company and the Manager.

With respect to portfolio investments, the Company is not aware of any investee company not taking appropriate steps to mitigate their 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 Company believes that it is taking appropriate action to address the Year 2000 issue, all investors - including investors in the Company - may be adversely affected by events beyond their control or expectation. It is also possible that the markets for securities in which the Company invests may be adversely affected by computer failures, which may result in liquidity issues and settlement problems.