



Canadian
General
Investments,
Limited



September 30, 2000
Third Quarter
Report

Assets Managed by:



CANADIAN GENERAL
INVESTMENTS, LIMITED

CORPORATE INFORMATION

**OFFICE OF THE
COMPANY**

110 Yonge Street,
Suite 1601, Toronto,
Ontario, Canada M5C 1T4
Telephone (416) 366-2931
1-800-207-0067
Fax (416) 366-2729
e-mail:
cgifund@mmainvestments.com
website:
www.mmainvestments.com

**CANADIAN REGISTRAR
AND TRANSFER AGENT**

Montreal Trust Company
of Canada
100 University Avenue
11th Floor
Toronto, Ontario, Canada
M5J 2Y1
Tel: (416) 981-9633
1-800-663-9097
Fax: (416) 981-9507
e-mail:
mmamail@montrealtrust.com

**STOCK EXCHANGE
LISTINGS**

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

U.K. TRANSFER AGENT

CIBC Mellon Trust Company
Balfour House
390 High Road
Ilford, Essex
IG1 1NQ
Tel: 020-8478-1888

The London Stock Exchange
Reuters Symbols:
Common shares CGIq.L
Warrants CGI%q.L

To change your address,
eliminate multiple mailings, or
for other shareholder account
inquiries, please contact
transfer agent as applicable.

Representative U.K. Broker:
Teather & Greenwood
Limited

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

The Corporation 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.

**DIVIDEND REINVESTMENT AND
SHARE PURCHASE PLAN**

This Plan offers a unique low-cost opportunity for shareholders 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.

REPORT TO SHAREHOLDERS

CGI outpaced the market in the latest quarter as net assets rose to \$357,022,000 at September 30, 2000 from \$346,108,000 at June 30 and from \$310,127,000 at the 1999 year-end. A mix of the continuation of our long term investment strategy and capitalizing on the benefits of volatility pushed up fully diluted net asset value per share by 2.9% to \$17.21 for the three month period to September 30, compared to a return of 1.8% for the TSE 300 Composite Index. In part an outcome of the market volatility during the quarter, CGI's realized gain on disposition of investments increased to the \$47 million level, or approximately \$33 million after tax.

On October 19, 2000 the Board of Directors announced a special capital gains dividend valued at \$2.00 to be paid on December 30 to shareholders of record on December 18, 2000. The special dividend will be in the form of 30% cash and 70% stock and will result in approximately 1,634,379 new shares issued from treasury. This dividend, together with a \$0.06 regular quarterly dividend to be paid on December 15, will bring total 2000 distributions to \$2.24, representing a combined stock and cash yield of 21.1%, the cash element being 7.9%, based on the \$10.60 closing price of CGI's common shares on October 18. Under CGI's status as an investment corporation, payment of the special dividend will result in a recovery of approximately \$10,900,000 of capital gains taxes paid, adding \$0.58 to net asset value per share.

PORTFOLIO ACTIVITIES

Our strategy for technology is to maintain holdings in Canadian companies exhibiting global leadership. However, partial profits were realized in several technology holdings including Nortel Networks Corporation, JDS Uniphase Canada Ltd., Alcatel Networks Corporation and BCE Emergis Inc.

CGI's Nortel weighting rose to over 15% during the quarter but was reduced on profit taking and a price correction to 6.4% by September 30. Nortel, representing approximately one-third of the TSE 300 Index, was a negative contributor to the Index this quarter, with its share price down 12.0%, and down 24.9% in September alone.

In both financial and oil and gas stocks, CGI benefited by several take-overs. We added to the banks, insurance companies and investment management firms, increas-

ing the weighting to 16.8%, and maintained the oil and gas weighting at close to 14%. The Corporation continues to be focussed on both sectors. Both retain strong consolidation and expansionary prospects. It is noted that banks are still not overvalued relative to global equivalents and Canada's energy sector remains a leader in terms of market representation at a time when interest in available energy resources seems to be escalating. At the same time, CGI is positioned in alternative energy systems and emissions control, as illustrated by one of the largest holdings, Ballard Power Systems Inc.

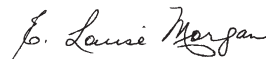
OUTLOOK

Strong growth in Canada is still generally predicted for the months ahead. Many Canadian companies that are global leaders in their fields should retain strength and prominence. The economy appears still to be backed by manageable interest rate levels.

CGI's management believes that information technology, which gets most of the market's attention, will continue to thrive long-term as a sub-sector of the economy.

THE MANAGER

During the quarter, MMA Investment Managers Limited, which has managed the portfolio since 1956, was renamed Morgan Meighen & Associates Limited to reflect the present as well as the past. The name recognizes the roles of MMA's late founder, Maxwell C.G. Meighen and his father the Right Hon. Arthur Meighen who was one of the founders of CGI in 1930. Today, the management company is led by Maxwell Meighen's successor, E. Louise Morgan, Chairman of CGI, who joined the Corporation as well as the Manager in 1956. Earlier this year, her daughter Vanessa Morgan joined the staff of the Manager as a Senior Vice-President. Vanessa earned her CFA designation in 1991 and has over a decade of investment and corporate management experience in the industry. She is working with Morgan Meighen's private wealth management division and continues with her role as a director and Vice-Chairman for CGI, Third Canadian General Investment Trust Limited and Canadian World Fund Limited.



E. Louise Morgan
Chairman



Michael A. Smedley
President

STATEMENT OF NET ASSETS

(Unaudited)

As at September 30,	2000	1999
	(000's)	
Assets		
Investments	\$ 423,443	\$323,760
Cash and short-term investments	9,460	2,310
Receivable on securities sold	9,375	-
Accrued interest and dividends	443	471
Income taxes recoverable	-	3,302
Deferred financing charge	997	1,329
	443,718	331,172
Liabilities		
Payable on securities purchased	15,183	1,626
Accounts payable and accrued liabilities	81	70
Accrued dividends on preference shares	133	133
Income taxes payable	11,299	-
Preference shares	60,000	60,000
	86,696	61,829
Net Assets	\$ 357,022	\$269,343
Shareholders' Equity		
Common shares	\$ 100,810	\$ 95,122
Unrealized gain on investments	101,347	41,674
Retained earnings	154,865	132,547
	\$ 357,022	\$269,343
Number of common shares outstanding	18,830,378	18,812,617
Number of warrants outstanding	3,744,584	3,762,345
Net asset value per common share		
– basic	\$ 18.96	\$ 14.32
Net asset value per common share		
– fully diluted	\$ 17.21	\$ 13.39

STATEMENT OF NET GAIN ON INVESTMENTS

(Unaudited)

Nine months ended September 30,	2000	1999
	(000's)	
Proceeds from disposition of investments	\$ 240,791	\$ 123,263
Investments at cost, beginning of period	278,617	262,876
Investments purchased during the period	237,557	130,836
Investments at cost, end of period	(322,096)	(282,086)
Cost of investments disposed of during the period	194,078	111,626
Realized gain on disposition of investments before income taxes	46,713	11,637
Income taxes on realized net taxable capital gains	13,751	3,797
Net realized gain on investments	32,962	7,840
Change in unrealized appreciation of investments	18,569	(7,004)
Net gain on investments	\$ 51,531	\$ 836

STATEMENT OF OPERATIONS

(Unaudited)

Nine months ended September 30,	2000	1999
	(000's)	
Investment income		
Dividends	\$ 2,855	\$ 4,154
Interest	433	788
Other	39	41
	3,327	4,983
Expenses		
Management fees	3,192	2,596
Dividends on preference shares	2,421	2,421
Amortization of deferred financing charge	249	249
Directors' fees	84	88
Other	305	339
	6,251	5,693
Investment loss before income taxes	(2,924)	(710)
Income tax recovery	1,438	1,063
Net investment income (loss)	(1,486)	353
Realized and unrealized gain (loss) on investments		
Net realized gain on investments	32,962	7,840
Change in unrealized appreciation of investments	18,569	(7,004)
Net gain on investments	51,531	836
Increase in net assets resulting from operations	\$ 50,045	\$ 1,189

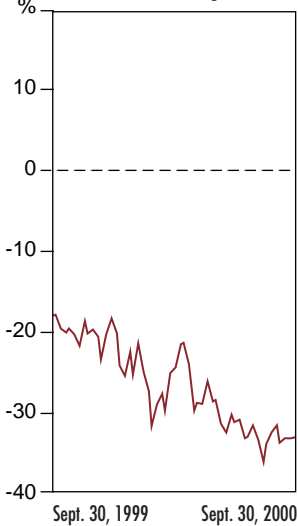
STATEMENT OF CHANGES IN NET ASSETS

(Unaudited)

Nine months ended September 30,	2000	1999
	(000's)	
Increase in net assets resulting from operations	\$ 50,045	\$ 1,189
Distributions to common shareholders		
From net investment income (loss)	(3,387)	(1,383)
From net realized gain on investments	-	(2,766)
	(3,387)	(4,149)
Income taxes recoverable on distributions from net realized gain on investments	-	902
Net decrease (increase) in refundable dividend tax on hand	88	(167)
	(3,299)	(3,414)
Capital share transactions		
Shares issued on exercise of warrants	149	-
Increase (decrease) in net assets	46,895	(2,225)
Net assets – Beginning of period	310,127	271,568
Net assets – End of period	\$357,022	\$269,343
Distributions per common share		
Regular	\$ 0.180	\$ 0.075
Capital gains	-	0.150
	\$ 0.180	\$ 0.225

DISCOUNT TO NAV

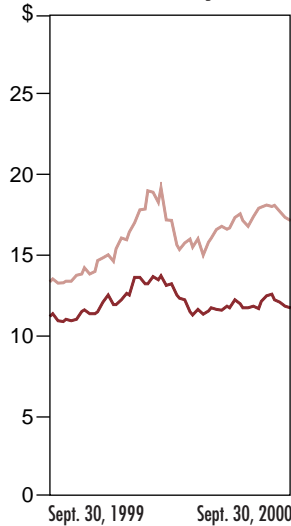
Twelve months ended Sept. 30, 2000



— Percent Discount to Fully Diluted NAV

COMPARISON OF MARKET PRICE TO NAV

Twelve months ended Sept. 30, 2000



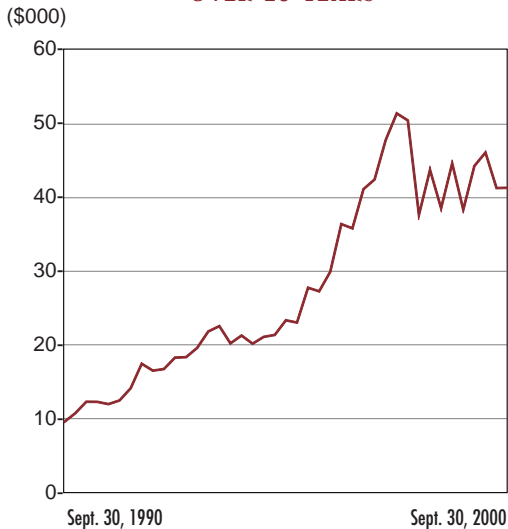
— Fully Diluted Net Asset Value Per Share (NAV)
— Market Price Per Share

* RATES OF RETURN

For periods ended September 30, 2000

1YR	3YR	5YR	10YR
7.7%	-0.9%	11.9%	15.3%

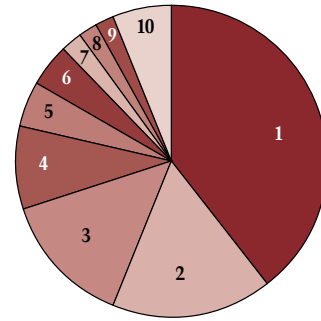
*GROWTH OF A \$10,000 INVESTMENT OVER 10 YEARS



*An investment in the Corporation's common shares, assuming reinvestment of distributions at month-end closing prices.

WEIGHTING OF PORTFOLIO INVESTMENTS SECTOR ANALYSIS

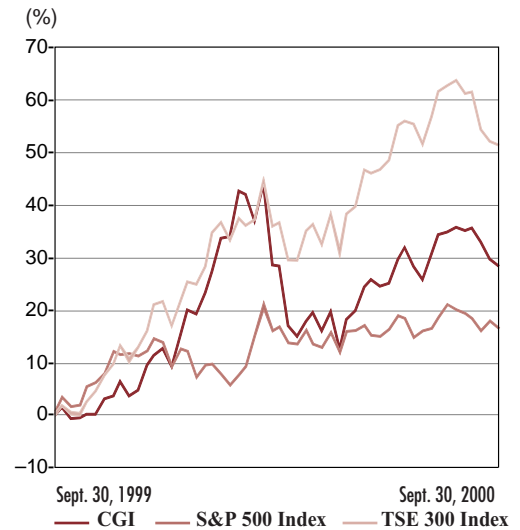
September 30, 2000



		% at Market
1	Industrial Products	39.5
2	Financial Services	16.8
3	Oil & Gas	13.8
4	Communications & Media	8.6
5	Consumer Products	4.7
6	Metals & Minerals	4.5
7	Gold & Precious Metals	2.2
8	Utilities	2.0
9	Pipelines	1.8
10	Other Sectors	6.1

*COMPARISON OF CGI'S NAV GROWTH TO TSE 300 INDEX AND S&P 500 INDEX

Twelve months ended Sept. 30, 2000



*Illustrates the growth of CGI's Fully Diluted NAV relative to the TSE 300 Total Return and the S&P 500 Index (in C\$).

STATEMENT OF INVESTMENTS

September 30, 2000

NUMBER OF SHARES OR PAR VALUE	MARKET COST	MARKET VALUE
	(000's)	
Communications & Media		
175,000 Astral Communications Inc. A+	\$ 6,179	\$ 7,744
75,000 Cogeco Cable Inc.+	2,632	3,150
450,000 Regional Cablesystems Inc.*	5,684	4,590
100,000 Rogers Communications Inc. B	2,675	3,565
80,000 The Seagram Company Ltd.	3,205	6,936
200,000 SHAW Communications Inc. B	1,122	6,900
60,000 The Thomson Corporation	3,048	3,570
	<u>24,545</u>	<u>36,455</u>
Conglomerates		
93,750 Canadian Pacific Limited*	3,932	3,666
	<u>3,932</u>	<u>3,666</u>
Consumer Products		
40,000 Biovail Corporation	3,111	4,934
70,000 Corby Distilleries Limited B	4,416	3,332
177,900 Forbes Medi-Tech Inc.	3,098	1,130
170,000 MDS Inc.*	5,002	5,355
150,000 The Molson Companies Limited A+	4,224	5,137
	<u>19,851</u>	<u>19,888</u>
Financial Services		
130,000 Bank of Montreal+	8,091	8,879
100,000 The Bank of Nova Scotia*	4,285	4,375
150,000 Bissett & Associates Investment Management Ltd.+	2,603	3,060
150,000 C.I. Fund Management Inc.	3,538	4,470
300,000 Canada Life Financial Corporation	6,115	10,470
404,300 Guardian Capital Group Ltd. A	2,890	3,639
150,000 Mackenzie Financial Corporation+	3,311	3,300
100,000 Monrusco Bolton Inc.*	1,403	1,400
260,000 Royal Bank of Canada+	8,507	11,622
300,000 Sun Life Financial Services of Canada Inc.	4,598	9,315
240,000 The Toronto Dominion Bank	6,895	10,608
	<u>52,236</u>	<u>71,138</u>
Forest Products		
300,000 Domtar Inc.+	5,262	3,870
	<u>5,262</u>	<u>3,870</u>

STATEMENT OF INVESTMENTS

September 30, 2000 (cont'd)

NUMBER OF SHARES OR PAR VALUE	MARKET COST	MARKET VALUE
	(000's)	
Gold & Precious Metals		
400,000 Aber Diamond Corporation*	\$ 4,316	\$ 4,800
214,600 Dia Met Minerals Ltd. B	4,466	4,292
38,000 Franco-Nevada Mining Corporation Limited wts	87	266
	<u>8,869</u>	<u>9,358</u>
Industrial Products		
30,000 724 Solutions Inc.	2,992	2,172
200,000 ATI Technologies Inc.	3,052	2,490
60,000 Alcatel Networks Corporation exch. shares	3,379	5,727
250,000 BAE Systems Canada Inc.	3,829	5,625
70,000 Ballard Power Systems Inc.	5,023	11,553
60,000 BCE Emergis Inc.	1,301	4,320
500,000 Bombardier Inc. B	2,549	13,000
350,000 Burntsand Inc.	4,482	2,118
75,000 C-MAC Industries Inc.+	5,425	6,450
124,000 Celestica Inc.	6,273	12,852
95,400 Certicom Corporation	3,586	5,686
100,000 Cognos, Inc.	4,309	6,140
240,000 COM DEV International Ltd. special warrants*	2,940	3,216
95,000 Creo Products Inc.+	5,318	4,845
88,000 DuPont Canada Inc. A	3,211	3,872
40,000 Hummingbird Communications Ltd.	3,215	1,790
150,000 Intertape Polymer Group Inc.+	4,652	3,000
2,000,000 itemus inc.	4,543	1,740
80,000 JDS Uniphase Canada Ltd. exch. shares	3,726	11,448
150,000 Mitel Corporation*	4,601	4,500
300,000 Nortel Networks Corporation	13,249	27,105
328,500 OnX Incorporated	3,449	1,380
50,000 Pivotal Corporation*	3,820	4,000
45,000 PMC-Sierra, Inc.	6,871	14,597
55,000 Potash Corporation of Saskatchewan Inc.	5,401	4,317
107,500 Ritchie Bros. Auctioneers Incorporated	4,162	3,463
	<u>115,358</u>	<u>167,406</u>
Merchandising		
70,000 George Weston Limited*	4,834	5,337
	<u>4,834</u>	<u>5,337</u>

STATEMENT OF INVESTMENTS

September 30, 2000 (cont'd)

NUMBER OF SHARES OR PAR VALUE		COST	MARKET VALUE
		(000's)	
Metals & Minerals			
75,000	Alcan Aluminium Limited	\$ 3,434	\$ 3,274
250,000	Cominco Ltd.+	5,982	5,162
200,000	Falconbridge Limited	3,680	3,400
61,750	Inco Limited pfd. series E	3,826	3,755
220,000	Labrador Iron Ore Royalty Income Fund	2,246	2,530
1,000,000	Teck Corporation due April 30, 2024 exch. deb.	1,000	898
		<u>20,168</u>	<u>19,019</u>
Oil & Gas			
100,000	Baytex Energy Ltd. A	662	1,455
400,000	Canadian 88 Energy Corp.*	1,562	1,496
140,000	Canadian Occidental Petroleum Ltd.+	3,433	5,292
60,000	Crestar Energy, Inc.	1,495	1,500
350,000	Gulf Canada Resources Limited*	2,827	2,783
370,000	Husky Energy Inc.*	4,545	5,162
90,000	Imperial Oil Limited	1,457	3,523
156,000	Maverick Tube (Canada) Ltd.*	2,934	6,279
225,000	PanCanadian Petroleum Limited	3,629	8,156
200,000	Petro-Canada	3,153	6,700
60,000	Precision Drilling Corporation*	3,273	3,231
160,000	Rio Alto Exploration Ltd.	1,955	5,120
230,000	Suncor Energy, Inc.	2,386	7,636
		<u>33,311</u>	<u>58,333</u>
Pipelines			
110,000	Enbridge Inc.	3,532	3,806
263,000	TransCanada PipeLines Limited	6,603	3,721
		<u>10,135</u>	<u>7,527</u>
Real Estate			
230,000	Brookfield Properties Corporation*	5,799	5,577
		<u>5,799</u>	<u>5,577</u>
Transportation & Environment			
100,000	Air Canada	2,004	1,510
70,000	Westjet Airlines Ltd.*	1,896	1,645
		<u>3,900</u>	<u>3,155</u>

STATEMENT OF INVESTMENTS

September 30, 2000 (cont'd)

NUMBER OF SHARES OR PAR VALUE		COST	MARKET VALUE
		(000's)	
Utilities			
100,000	Canadian Utilities Limited A	\$ 2,342	\$ 4,100
100,000	Telesystem International Wireless Inc.	5,160	2,125
125,000	TransAlta Corporation	2,591	2,406
		<u>10,093</u>	<u>8,631</u>
Preferred Shares			
155,000	Falconbridge Limited pfd. series 2	3,404	3,488
175,000	Gulf Canada Resources Limited pfd. series A	399	595
		<u>3,803</u>	<u>4,083</u>
Total Investments			
- September 30, 2000		<u>\$322,096</u>	<u>\$423,443</u>
Total Investments			
- September 30, 1999		<u>\$282,086</u>	<u>\$323,760</u>

Changes from June 30, 2000

* New Holdings

+ Increased Holdings

INVESTMENT PORTFOLIO TEN LARGEST INVESTMENTS

September 30, 2000

Company	Market Value (000's)	% of Market Value of Total Investment Portfolio
Nortel Networks Corporation	\$ 27,105	6.4
PMC-Sierra, Inc.	14,597	3.4
Bombardier Inc.	13,000	3.1
Celestica Inc.	12,852	3.0
Royal Bank of Canada	11,622	2.8
Ballard Power Systems Inc.	11,553	2.7
JDS Uniphase Canada Ltd.	11,448	2.7
The Toronto Dominion Bank	10,608	2.5
Canada Life Financial Corporation	10,470	2.5
Sun Life Financial Services of Canada Inc.	9,315	2.2
Totals	<u>\$132,570</u>	<u>31.3</u>