

GENERAL AMERICAN INVESTORS CO INC
 Form N-Q
 October 20, 2009

UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF
 REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-00041

GENERAL AMERICAN INVESTORS COMPANY, INC.

(Exact name of registrant as specified in charter)

100 Park Avenue, 35th Floor, New York, NY 10017

(Address of principal executive offices)(Zip code)

Eugene S. Stark

General American Investors Company, Inc.

100 Park Avenue, 35th Floor,

New York, NY 10017

(Name and address of agent for service)

Registrant's telephone number, including area code: 212-916-8400

Date of fiscal year end: December 31

Date of reporting period: September 30, 2009

Shares	COMMON STOCKS	Value (note 1a)
AEROSPACE/DEFENSE (4.7%)		
300,000	The Boeing Company	\$16,245,000
215,000	Textron Inc.	4,080,700
325,000	United Technologies Corporation	19,802,250
		(COST \$52,290,876) 40,127,950
BUILDING AND REAL ESTATE (2.8%)		
1,872,000	CEMEX, S.A. de C.V. ADR (a)	(COST \$24,109,388) 24,186,240
COMMUNICATIONS AND INFORMATION SERVICES (7.0%)		
960,000	Cisco Systems, Inc. (a)	22,598,400
78,000	Leap Wireless International, Inc. (a)	1,524,900

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	435,500 MetroPCS Communications, Inc. (a)	4,076,280
	700,000 QUALCOMM Incorporated	31,486,000
		(COST \$48,102,659)
COMPUTER SOFTWARE AND SYSTEMS (9.1%)		
	1,290,000 Dell Inc. (a)	19,685,400
	570,000 Microsoft Corporation	14,660,400
	221,100 NetEase.com, Inc. (a)	10,099,848
	67,100 Nintendo Co., Ltd.	17,210,884
	565,000 Teradata Corporation (a)	15,548,800
		(COST \$81,433,781)
CONSUMER PRODUCTS AND SERVICES (10.7%)		
	350,000 Diageo plc ADR	21,521,500
	375,000 Heineken N. V.	17,344,706
	466,100 Hewitt Associates, Inc. Class A (a)	16,980,023
	450,000 Nestle S.A.	19,065,960
	285,000 PepsiCo, Inc.	16,718,100
		(COST \$78,280,572)
ENVIRONMENTAL CONTROL (INCLUDING SERVICES) (5.2%)		
	949,000 Republic Services, Inc.	25,214,930
	630,000 Waste Management, Inc.	18,786,600
		(COST \$38,960,134)
FINANCE AND INSURANCE (20.0%)		
BANKING (1.1%)		
	155,000 M&T Bank Corporation	(COST \$789,946) 9,659,600
INSURANCE (14.8%)		
	175,000 The Allstate Corporation	5,358,500
	315,000 Arch Capital Group Ltd. (a)	21,275,100
	300,000 AXIS Capital Holdings Limited	9,054,000
	140 Berkshire Hathaway Inc. Class A (a)	14,140,000
	250,000 Everest Re Group, Ltd.	21,925,000
	525,000 Fidelity National Financial, Inc.	7,917,000
	280,000 MetLife, Inc.	10,659,600
	275,000 PartnerRe Ltd.	21,158,500
	83,000 Transatlantic Holdings, Inc.	4,164,110
	215,000 The Travelers Companies, Inc.	10,584,450
		(COST \$63,761,058)
OTHER (4.1%)		
	350,000 American Express Company	11,865,000
	1,666,667 Epoch Holding Corporation	14,583,336
	645,000 Nelnet, Inc. (a)	8,023,800
		(COST \$30,642,922)
		34,472,136

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(COST \$95,193,926) 170,367,996

Shares	COMMON STOCKS (continued)	Value (note 1a)
HEALTH CARE / PHARMACEUTICALS (4.4%)		
529,900	Cytokinetics, Incorporated (a)	\$2,803,171
119,500	Gilead Sciences, Inc. (a)	5,556,750
195,344	Poniard Pharmaceuticals, Inc. (a)	1,461,173
564,273	Wyeth	27,412,383
	(COST \$33,562,783)	37,233,477
MACHINERY AND EQUIPMENT (2.8%)		
1,200,000	ABB Ltd. ADR	(COST \$13,364,456) 24,048,000
METAL (1.9%)		
254,200	Alpha Natural Resources, Inc. (a)	8,922,420
150,000	Nucor Corporation	7,051,500
	(COST \$19,939,605)	15,973,920
MISCELLANEOUS (5.7%)		
	Other (b)	(COST \$49,806,683) 48,957,185
OIL AND NATURAL GAS (INCLUDING SERVICES) (13.2%)		
295,478	Apache Corporation	27,133,745
100,000	Devon Energy Corporation	6,733,000
800,000	Halliburton Company	21,696,000
250,000	McDermott International, Inc. (a)	6,317,500
2,050,000	Weatherford International Ltd. (a)	42,496,500
200,000	XTO Energy Inc.	8,264,000
	(COST \$76,204,267)	112,640,745
RETAIL TRADE (15.6%)		
575,000	Costco Wholesale Corporation	32,418,500
250,000	Target Corporation	11,670,000
1,675,000	The TJX Companies, Inc.	62,226,250
550,000	Wal-Mart Stores, Inc.	26,999,500
	(COST \$55,773,354)	133,314,250
SEMICONDUCTORS (2.4%)		
700,000	ASML Holding N.V.	(COST \$16,353,613) 20,699,000
TECHNOLOGY (3.6%)		
750,000	International Game Technology	16,110,000
1,900,000	Xerox Corporation	14,706,000
	(COST \$34,368,474)	30,816,000
TRANSPORTATION (0.9%)		

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	236,100 Alexander & Baldwin, Inc.	(COST \$11,005,032)	7,576,449
	TOTAL COMMON STOCKS (110.0%)	(COST \$728,749,603)	938,463,943
Principal Amount	CORPORATE DEBT (c)		
CONSUMER PRODUCTS AND SERVICES (1.0%)			
	\$9,600,000 Smithfield Foods, Inc.		
	7.75% due 5/15/2013	(COST \$7,613,724)	8,592,000
SEMICONDUCTORS (1.3%)			
	\$8,000,000 ASML Holding N.V.		
	5.75% due 6/13/2017	(COST \$6,990,709)	11,024,761
TECHNOLOGY (1.0%)			
	\$10,000,000 VeriFone Holdings, Inc.		
	1.375% due 6/15/2012	(COST \$5,506,223)	8,551,000
	TOTAL CORPORATE DEBT (3.3%)	(COST \$20,110,656)	28,167,761

	Shares	SHORT-TERM SECURITY AND OTHER ASSETS	
	65,883,660	SSgA Prime Money Market Fund (7.7%)	(COST \$65,883,660) \$65,883,660
	TOTAL INVESTMENTS (d) (121.0%)		(COST \$814,743,919) 1,032,515,364
	Cash, receivables and other assets less liabilities (1.3%)		10,568,164
	PREFERRED STOCK (-22.3%)		(190,117,175)
	NET ASSETS APPLICABLE TO COMMON STOCK (100%)		\$852,966,353

(a) Non-income producing security.

(b) Securities which have been held for less than one year, not previously disclosed, and not restricted.

(c) Level 2 fair value measurement, note 8.

(d) At September 30, 2009: (1) the cost of investments for Federal income tax purposes was the same as the cost for financial reporting purposes,

(2) aggregate gross unrealized appreciation was \$282,209,800, (3) aggregate gross unrealized depreciation was \$64,438,355, and (4) net unrealized appreciation was \$217,771,445.

	Contracts		Value
	(100 shares each) COMMON STOCK/EXPIRATION DATE/EXERCISE PRICE		(note 1a)
PUT OPTION			
	AGRICULTURAL		
	150 Monsanto Company/October 09/\$75.00	(PREMIUM DEPOSITED WITH BROKERS \$29,954)	\$21,000

NOTES TO FINANCIAL STATEMENTS (Unaudited)

General American Investors

General American Investors Company, Inc. (the "Company"), established in 1927, is registered under the Investment Company Act of 1940 as a closed-end, diversified management investment company. It is

internally managed by its officers under the direction of the Board of Directors.

1. SECURITY VALUATION

Equity securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the period. Equity securities reported on the NASDAQ national market are valued at the official closing price on that day. Listed and NASDAQ equity securities for which no sales are reported on that day and other securities traded in the over-the-counter market are valued at the last bid price (asked price for options written) on the valuation date. Equity securities traded primarily in foreign markets are generally valued at the preceding closing price of such securities on their respective exchanges or markets. Corporate debt securities, domestic and foreign, are generally traded in the over-the-counter market rather than on a securities exchange. The Company utilizes the latest bid prices provided by independent dealers and information with respect to transactions in such securities to assist in determining current market value. If, after the close of foreign markets, conditions change significantly, the price of certain foreign securities may be adjusted to reflect fair value as of the time of the valuation of the portfolio. Investments in money market funds are valued at their net asset value.

2. OPTIONS

The Company may purchase and write (sell) put and call options. The Company typically purchases put options or writes call options to hedge the value of portfolio investments while it typically purchases call options and writes put options to obtain equity market exposure under specified circumstances. The risk associated with purchasing an option is that the Company pays a premium whether or not the option is exercised. Additionally, the Company bears the risk of loss of the premium and a change in market value should the counterparty not perform under the contract. Put and call options purchased are accounted for in the same manner as portfolio securities. Premiums received from writing options are reported as a liability on the Statement of Assets and Liabilities. Those that expire unexercised are treated by the Company on the expiration date as realized gains on written option transactions in the Statement of Operations. The difference between the premium received and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or, if the premium is less than the amount paid for the closing purchase transaction, as a realized loss on written option transactions in the Statement of Operations. If a call option is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether the Company has realized a gain or loss on investments in the Statement of Operations. If a put option is exercised, the premium reduces the cost basis for the securities purchased by the Company and is parenthetically disclosed under cost of investments on the Statement of Assets and Liabilities. The Company as writer of an option bears the market risk of an unfavorable change in the price of the security underlying the written option.

3. FAIR VALUE MEASUREMENTS

Various data inputs are used in determining the value of the Company's investments. These inputs are summarized in a hierarchy consisting of the three broad levels listed below:

Level 1 - quoted prices in active markets for identical securities (including money market funds which are valued using amortized cost and which transact at net asset value, typically \$1 per share),

Level 2 - other significant observable inputs (including quoted prices for similar securities, interest rates, credit risk, etc.), and

Level 3 - significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments).

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The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following is a summary of the inputs used to value the Company's net assets as of September 30, 2009:

Assets	Level 1	Level 2	Level 3	Total
Common stocks	\$938,463,943			\$938,463,943
Corporate debt		\$28,167,761		28,167,761
Money market fund	65,883,660			65,883,660
Total	\$1,004,347,603	\$28,167,761		\$1,032,515,364
Liabilities				
Options written	(\$21,000)			(\$21,000)

ITEM 2. CONTROLS AND PROCEDURES.

Conclusions of principal officers concerning controls and procedures

(a) As of September 30, 2009, an evaluation was performed under the supervision and with the participation of the officers of General American Investors Company, Inc. (the "Registrant"), including the principal executive officer ("PEO") and principal financial officer ("PFO"), of the effectiveness of the Registrant's disclosure controls and procedures. Based on that evaluation, the Registrant's officers, including the PEO and PFO, concluded that, as of September 30, 2009, the Registrant's disclosure controls and procedures were reasonably designed so as to ensure: (1) that information required to be disclosed by the Registrant on Form N-Q is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the Securities and Exchange Commission; and (2) that material information relating to the Registrant is made known to the PEO and PFO as appropriate to allow timely decisions regarding required disclosure.

(b) There have been no significant changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940 (17 CFR 270.30a-3(d)) that occurred during the Registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

The certifications of the principal executive officer and principal financial officer pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 are attached hereto as Exhibit 99 CERT.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

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General American Investors Company, Inc.

By: /s/ Eugene S. Stark
Eugene S. Stark
Vice-President, Administration

Date: October 20, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Spencer Davidson
Spencer Davidson
President and Chief Executive Officer
(Principal Executive Officer)

Date: October 20, 2009

By: /s/ Eugene S. Stark
Eugene S. Stark
Vice-President, Administration
(Principal Financial Officer)

Date: October 20, 2009
