

FAGAN KATHRYN
Form 4
April 02, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
FAGAN KATHRYN

2. Issuer Name **and** Ticker or Trading
Symbol
ANNALY CAPITAL
MANAGEMENT INC [NLY]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O: ANNALY CAPITAL
MANAGEMENT, INC., 1211
AVENUE OF THE AMERICAS,
SUITE 2902

3. Date of Earliest Transaction
(Month/Day/Year)
03/28/2007

____ Director ____ 10% Owner
X Officer (give title ____ Other (specify
below) below)
CHIEF FINANCIAL OFFICER

(Street)
NEW YORK, NY 10036

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
X Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Stock	03/28/2007		M	8,500	A	\$ 11.72	130,113 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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information contained in this form are not
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SEC 1474
(9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Option to purchase Common Stock ⁽¹⁾	\$ 17.97					08/04/2004 08/04/2013	Common Stock 50,000
Option to purchase Common Stock ⁽¹⁾	\$ 17.39					04/20/2005 04/20/2014	Common Stock 50,000
Option to purchase Common Stock ⁽¹⁾	\$ 17.07					07/07/2006 07/07/2015	Common Stock 50,000
Option to purchase Common Stock ⁽¹⁾	\$ 11.72	03/28/2007		M	8,500	02/13/2007 02/13/2016	Common Stock 8,500

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
FAGAN KATHRYN C/O: ANNALY CAPITAL MANAGEMENT, INC. 1211 AVENUE OF THE AMERICAS, SUITE 2902 NEW YORK, NY 10036	CHIEF FINANCIAL OFFICER

Signatures

Kathryn Fagan 03/29/2007
 **Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Options previously granted

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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