

FAGAN KATHRYN
Form 4
April 30, 2012

FORM 4

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

OMB APPROVAL

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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

(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)

3. Date of Earliest Transaction (Month/Day/Year)
04/27/2012

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

C/O ANNALY CAPITAL
MANAGEMENT, INC., 1211
AVENUE OF THE AMERICAS,
SUITE 2902

(Street)

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

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

NEW YORK, NY 10036

(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 Indirect Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	04/27/2012		M		37,500	A	\$ 13.25
Class A Preferred Stock					2,300	D	

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

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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 Acquired (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)	
						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⁾	\$ 15.7					05/17/2008	05/17/2017	Common Stock	43,631
Option to purchase Common Stock ⁽¹⁾	\$ 16.46					05/08/2009	05/08/2018	Common Stock	53,000
Option to purchase Common Stock ⁽¹⁾	\$ 15.61					09/19/2009	09/19/2018	Common Stock	53,000
Option to purchase Common Stock ⁽¹⁾	\$ 13.25	04/27/2012		M	37,500	04/22/2010	04/22/2019	Common Stock	37,500

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

/s/Kathryn
Fagan
04/30/2012

**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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