Konrad Kristopher Robert Form 5

January 09, 2009

Common

Common

Stock

Stock

Class A

Preferred

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OMB APPROVAL FORM 5 **OMB** UNITED STATES SECURITIES AND EXCHANGE COMMISSION 3235-0362 Number: Washington, D.C. 20549 Check this box if January 31, Expires: no longer subject 2005 to Section 16. Estimated average ANNUAL STATEMENT OF CHANGES IN BENEFICIAL Form 4 or Form burden hours per 5 obligations OWNERSHIP OF SECURITIES response... 1.0 may continue. See Instruction Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, 1(b). Form 3 Holdings Section 17(a) of the Public Utility Holding Company Act of 1935 or Section Reported 30(h) of the Investment Company Act of 1940 Form 4 Transactions Reported 1. Name and Address of Reporting Person * 2. Issuer Name and Ticker or Trading 5. Relationship of Reporting Person(s) to Issuer Konrad Kristopher Robert Symbol ANNALY CAPITAL (Check all applicable) MANAGEMENT INC [NLY] (Middle) 3. Statement for Issuer's Fiscal Year Ended (Last) (First) Director 10% Owner X _ Officer (give title Other (specify (Month/Day/Year) below) below) 12/31/2008 MD and Co-Head of Port Mgmt C/O ANNALY CAPITAL MANAGEMENT, INC., Â 1211 **AVENUE OF THE AMERICAS SUITE 2902** (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Reporting Filed(Month/Day/Year) (check applicable line) NEW YORK, NYÂ 10036 _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 5. Amount of 1. Title of 2. Transaction Date 2A. Deemed 3. 4. Securities 6. Ownership 7. Nature of Security (Month/Day/Year) Execution Date, if Transaction Acquired (A) or Securities Form: Direct Indirect (Instr. 3) any Code Disposed of (D) Beneficially (D) or Beneficial (Month/Day/Year) (Instr. 3, 4 and 5) Owned at end Indirect (I) Ownership (Instr. 8) of Issuer's (Instr. 4) (Instr. 4) (A) Fiscal Year or (Instr. 3 and 4) Amount (D) Price

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plan

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By 401(K)

Stock

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

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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)	
					(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option to purchase Common Stock (1)	\$ 17.97	Â	Â	Â	Â	Â	08/04/2004	08/04/2013	Common Stock	20,000
Option to purchase Common Stock (1)	\$ 17.39	Â	Â	Â	Â	Â	04/19/2005	04/19/2014	Common Stock	20,000
Option to purchase Common Stock (1)	\$ 17.07	Â	Â	Â	Â	Â	07/07/2006	07/07/2015	Common Stock	30,000
Option to purchase Common Stock (1)	\$ 11.72	Â	Â	Â	Â	Â	02/13/2007	02/13/2016	Common Stock	23,250
Option to purchase Common Stock (1)	\$ 15.7	Â	Â	Â	Â	Â	05/17/2008	05/17/2017	Common Stock	40,000
Option to purchase Common Stock (1)	\$ 16.46	Â	Â	Â	Â	Â	05/08/2009	05/08/2018	Common Stock	53,000
Option to	\$ 15.61	Â	Â	Â	Â	Â	09/19/2009	09/19/2019	Common	53,000

SEC 2270

(9-02)

purchase Stock Common

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Konrad Kristopher Robert C/O ANNALY CAPITAL MANAGEMENT, INC. 1211 AVENUE OF THE AMERICAS SUITE 2902 NEW YORK, NYÂ 10036

 \hat{A} \hat{A} \hat{A} MD and Co-Head of Port Mgmt \hat{A}

Signatures

Stock (1)

/s/ Kristopher Robert
Konrad
01/08/2009

**Signature of Reporting Date
Person

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 provided is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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