February 15, 2011       OMB APPROVAL         Check this box if inducer values of the period from the period from the period for the public Values of the	FORTESCU Form 5										
UNITED STATES SECURITIES AND EXCHANGE COMMISSION Check this box if to Googe adject to Section 16. Section 16. Section 16. Section 16. Section 16. Section 17(a) of the Public Utility Holding Company Act of 1934. From 4 biblings Section 17(a) of the Public Utility Holding Company Act of 1935 or Section Reported Form 4 and Address of Reporting Person. <sup>4</sup> 1. Name and Address of Reporting Person. <sup>4</sup> Symbol ANNALY CAPITAL MANAGEMENT INC [NLY] (Last) (First) (Middle) 3. statement for Issuer's Fiscal Year Ended (Month/Day/Year) L2/31/2010 C/O ANNALY MORTGAGE MANAGEMENT INC, Å 1211 AVENUE OF THE AMERICAS SUITE 2002 (Street) (State) (Zh) (Month/Day/Year) (Month/Day/Year) (Street) 2. Instanction Date, if any (Month/Day/Year) Execurities Acquired, Asian 4 Securities Acquired (A) or Beneficial Journe (Month/Day/Year) (Instr. 3) (Month/Day/Year) Execurities (A) of A and A and A and A and A and A base 2005 (Month/Day/Year) (Instr. 4) A function (A) of A and A and A and A A A A A A A A A A A A A A A A A A A									OMB A	PPROVAL	
to Section 16       ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES       Estimated average burden hours per response       1.0         Section 16, and the province.       Section 17(a) of the Public Utility Holding Company Act of 1935 or Section Reported       1.0         1(b).       Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Form 3 Holdings Section 17(a) of the Public Utility Holding Company Act of 1935 or Section Reported       5. Relationship of Reporting Person(s) to Issuer         1. Name and Address of Reporting Person 1       2. Issuer Name and Ticker or Trading Symbol       5. Relationship of Reporting Person(s) to Issuer         (Last)       (First)       (Middle)       3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)       (Check all applicable)         (Last)       (First)       (Middle)       3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)       Director       10% Owner         2/O ANNALY MORTGAGE       4. If Amendment, Date Original Filed(Month/Day/Year)       6. Individual or Joint/Group Reporting Person       6. Individual or Joint/Group Reporting Person         (City)       (State)       2. Transaction Date (2. A. Deemed any       3. A capared (Instr. 3)       3. A capared (Month/Day/Year)       3. A capared (Instr. 4)       6. Ownership 7. Nature of Securities       6. Ownership 7. Nature of (Instr. 4)         (City)       (State)       2. Transaction Date (2. A. Deemed (Instr. 4)       3. A capad (A capared) <td>Check this</td> <td>UNITED S s box if</td> <td></td> <td colspan="5"></td> <td>Number:</td> <td>January 31,</td>	Check this	UNITED S s box if							Number:	January 31,	
10b.       Filed pursuant to Section 16(a) of the Excurities Exchange Act of 1934,         Fem 3 Holdings Section 17(a) of the Public Utility Holding Company Act of 1935 or Section Reported Fern 4       30(h) of the Investment Company Act of 1940         Transactions Reported       30(h) of the Investment Company Act of 1940         I. Name and Address of Reporting Person 1       2. Issuer Name and Ticker or Trading Symbol       5. Relationship of Reporting Person(s) to Issuer         FORTESCUE JAMES       Symbol       ANNALY CAPITAL MANAGEMENT INC [NLY]       (Check all applicable)         (Last)       (First)       (Middle)       3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)       Director       Director         (ZO ANNALY MORTGAGE       MANAGEMENT INC [A 1211       AVENUE OF THE AMERICAS       Director       Director       Director       Director       Director       Director       Check applicable line)         NEW YORK, NY 10036       4. If Amendment, Date Original Filed (Month/Day/Year)       6. Individual or Joint/Group Reporting Person       Securities Acquired, Disposed of, or Beneficially Owned         1.Title of       2. Transaction Date       2A. Deemed       3. Acquired (A) or Beneficially Owned       S. Anount of       6. Ownership 7. Nature of Security (Instr. 3)         (City)       (State)       (Zip)       Table I - Non-Derivative Securities Acquired, Disposed of, Or Beneficially Owned       S. Anount of	to Section Form 4 or 5 obligation	16. Form ANN							Estimated a burden hou	average Irs per	
FORTESCUE JAMES       Symbol       Issuer         ANNALY CAPITAL MANAGEMENT INC [NLY]       (Check all applicable)         (Last)       (First)       (Middle)       3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)       Director       10% Owner         (Last)       (First)       (Middle)       3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)       Director       10% Owner         C/O ANNALY MORTGAGE       ANAAGEMENT INC, Â 1211       AVENUE OF THE AMERICAS       MD and Head of Liabilities         SUITE 2902       (Street)       4. If Amendment, Date Original Filed(Month/Day/Year)       6. Individual or Joint/Group Reporting (check applicable line)         NEW YORK, NY 10036       Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned         1. Title of Security       2. Transaction Date       2A. Deemed any       3.       4. Securities Code       5. Amount of Disposed of, or Beneficially Owned indirect (I) Ownership 7. Nature of Security (Instr. 3)         (Instr. 3)       Â       Â       Â       Â       A and 5         (Instr. 4)       (Instr. 4)       (Instr. 4)       (Instr. 4)       (Instr. 4)	See Instruction 1(b).Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,Form 3 Holdings Reported Form 4Section 17(a) of the Public Utility Holding Company Act of 1935 or Section80(h) of the Investment Company Act of 1940 Transactions30(h) of the Investment Company Act of 1940										
(Month/Day/Year)       12/31/2010		Symbol ANNA	Symbol ANNALY CAPITAL				Issuer				
L2/31/2010       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities         MD and Head of Liabilities       MD and Head of Liabilities	(Last)	(First) (M	(Month/I	(Month/Day/Year)				Officer (give title Other (specify			
Filed(Month/Day/Year)         (check applicable line)         NEW YORK, NY 10036	MANAGEN AVENUE (	MENT INC, 121 OF THE AMERIC	2 1	010				· · · · · · · · · · · · · · · · · · ·		ities	
NEW YORK, NY 10036(City)(State)(Zip)Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned1.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 at end of Issuer's Fiscal Year (Instr. 4)6. Ownership Total Transaction Disposed of (D) (Instr. 3, 4 and 5)Common $\hat{A}$ $\hat{A}$ $\hat{A}$ $\hat{A}$ $\hat{A}$ $\hat{A}$ $\hat{A}$ Common $\hat{A}$ $\hat{A}$ $\hat{A}$ $\hat{A}$ $\hat{A}$ $\hat{A}$ $\hat{A}$ $\hat{A}$		(Street)		-							
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. Code       4. Securities Acquired (A) or Disposed of (D)       5. Amount of Beneficially       6. Ownership Form: Direct       7. Nature of Indirect         (Instr. 3)       (Month/Day/Year)       (Month/Day/Year)       3. (Month/Day/Year)       1. Tints action any (Month/Day/Year)       4. Securities Transaction Code       5. Amount of Disposed of (D)       6. Ownership Beneficially       7. Nature of Securities         (A) or Amount       (Month/Day/Year)       (Instr. 8)       (Instr. 8)       1. Instr. 4)       (Instr. 4)         (Instr. 3, 4 and 5)       Owned at end Amount       Indirect (I)       Ownership of Issuer's (Instr. 4)       (Instr. 4)         (A) or Amount       Op Price       A       A       A       A       A								(chec	k applicable line	)	
1.Title of Security (Instr. 3)2. Transaction Date (Month/Day/Year)2A. Deemed Execution Date, if any (Month/Day/Year)3.4. Securities Acquired (A) or Disposed of (D)5. Amount of Securities6. Ownership Form: Direct7. Nature of Indirect0.00000000000000000000000000000000000	NEW YOR	K, NY 10036						Form Filed by M			
Security (Instr. 3)(Month/Day/Year)Execution Date, if any (Month/Day/Year)Transaction Code (Instr. 8)Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 4)Form: Direct Beneficial Indirect (I) (Instr. 4)Common $\hat{\Delta}$ </td <td>(City)</td> <td>(State)</td> <td>Zip) Tab</td> <td>le I - Non-Deri</td> <td>ivative See</td> <td>curities A</td> <td>Acqu</td> <td>iired, Disposed of</td> <td>, or Beneficial</td> <td>lly Owned</td>	(City)	(State)	Zip) Tab	le I - Non-Deri	ivative See	curities A	Acqu	iired, Disposed of	, or Beneficial	lly Owned	
	Security		Execution Date, if any	Transaction Code	Acquired Disposed (Instr. 3,	d (A) or d of (D) , 4 and 5) (A) or		Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	Form: Direct (D) or Indirect (I)	Indirect Beneficial Ownership	
		Â	Â	Â	Â	ÂŹ	Â	89,293	D	Â	

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

Persons who respond to the collection of information SEC 2270 contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(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)	A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	Secu Acqu (A) c	ivative urities uired or posed D) tr. 3,		te	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	04/20/2005	04/20/2014	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	15,968
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 purchase Common Stock (1)	\$ 15.61	Â	Â	Â	Â	Â	09/19/2009	09/19/2018	Common Stock	53,000
Option to purchase Common Stock (1)	\$ 13.25	Â	Â	Â	Â	Â	04/22/2010	04/22/2019	Common Stock	145,000

## **Reporting Owners**

<b>Reporting Owner Name / Address</b>		Relationships							
Reporting Owner Runner Huntess			10% Owner	Officer	Other				
FORTESCUE JAMES C/O ANNALY MORTGAGE MANAGEMENT INC 1211 AVENUE OF THE AMERICAS SUITE 2902 NEW YORK, NY 10036		Â	Â	MD and Head of Liabilities	Â				
Signatures									
/s/ James P. Fortescue	02/14/2011								
<u>**</u> Signature of Reporting Person	Date								
<b>Explanation</b>	of Responses:								
* If the form is filed by r	nore than one reporting person, see Inst	ruction 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.