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

**FORM 8-K**

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**CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported) **February 9, 2011**

**ARMOUR Residential REIT, Inc.**

(Exact Name of Registrant as Specified in Its Charter)

**Maryland**

**001-33736**

**26-1908763**

(State or Other Jurisdiction  
of Incorporation)

(Commission File Number)

(I.R.S. Employer Identification No.)

**3001 Ocean Drive, Suite 201  
Vero Beach, Florida**

**32963**

(Address of Principal Executive Offices)

(Zip Code)

**(772) 617-4340**

(Registrant's Telephone Number, Including Area Code)

**n/a**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01. Regulation FD Disclosure.**

Commencing on February 9, 2011, ARMOUR Residential REIT, Inc. (“ARMOUR”) will make a slide deck presentation available on its website which contains a update on ARMOUR’s financial position, business and operations. Attached as Exhibit 99.1 to this report is the form of slide deck presentation to be posted by ARMOUR.

The slide deck presentation attached to this report as Exhibit 99.1 is furnished pursuant to this Item 7.01 and shall not be deemed filed in this or any other filing of ARMOUR under the Securities Exchange Act of 1934, as amended, unless expressly incorporated by specific reference in any such filing.

**Item 9.01. Financial Statements and Exhibits.**

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Slide Deck Presentation, dated February 9, 2011

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 9, 2011

**ARMOUR RESIDENTIAL REIT, INC.**

By: /s/ Jeffrey J. Zimmer \_\_\_\_\_

Name: Jeffrey J. Zimmer

Title: Co-Chief Executive Officer, President and Co-Vice  
Chairman

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## Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Slide Deck Presentation, dated February 9, 2011



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**ARMOUR RESIDENTIAL REIT, Inc.**  
**Company Update**  
**February 9, 2011**

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## PLEASE READ: Important Regulatory and Yield Estimate Risk Disclosures

Certain statements made in this presentation regarding ARMOUR Residential REIT, Inc. (“ARMOUR” or the “Company”), and any other statements regarding ARMOUR’s future expectations, beliefs, goals or prospects constitute forward-looking statements made within the meaning of Section 21E of the Securities Exchange Act of 1934. Any statements that are not statements of historical fact (including statements containing the words “believes,” “plans,” “anticipates,” “expects,” “estimates” and similar expressions) should also be considered forward-looking statements. Forward-looking statements include but are not limited to statements regarding the projections for ARMOUR’s business, and plans for future growth and operational improvements. A number of important factors could cause actual results or events to differ materially from those indicated by such forwardlooking statements. ARMOUR assumes no obligation to update the information looking statements. in this communication, except as otherwise required by law. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

This material is for information purposes only and does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation for any securities, financial instruments, or common or privately issued stock. The statements, information and estimates contained herein are based on information that the presenter believes to be reliable as of today's date, but cannot be represented that such statements, information or estimates are complete or accurate.

*Actual realized yields, durations and net durations described herein will depend on a number of factors that cannot be predicted with certainty. Estimated yields do not reflect any of the costs of operation of ARMOUR.*

**THE NUMBERS PRESENTED HEREIN ARE UNAUDITED.**



## ARMOUR REIT Capitalization as of February 8, 2011

- 32,254,054 shares of common stock outstanding (NYSE/Amex: "ARR").
- **Market Cap**
  - \$248.36 million.
- **Book Value**
  - Historic Book Value estimate: \$7.12 per share or \$229.83 million.
  - Current Book Value estimate: \$6.82 per share or \$219.97 million.
  - December 31, 2010 Book Value estimate: \$6.63 per share (16,441,554 shares outstanding).
- **Warrants**
  - There are 32,500,000 warrants outstanding (NYSE/Amex: "ARR/WS").
  - The conversion price is \$11.00.
  - The expiration date is November 7, 2013.

**Note:** Historic book value is equal to "additional paid-in-capital." Current book value estimate is based on the current value of assets, hedges and liabilities.



## ARMOUR REIT Portfolio and Balance Sheet Highlights

- ARMOUR REIT has invested approximately 30% of the equity capital raised on February 8, 2011.
- Agency mortgage portfolio valued at \$1.94 billion<sup>(1)</sup>.
  - 448 separate CUSIPs.
  - Weighted average market value per CUSIP: \$4.3 million.
  - Median market value per CUSIP: \$2.0 million.
- Gross asset duration estimate of 3.28.
- Net balance sheet duration estimate of 1.32 (excluding unvested cash).
- Net REPO borrowings of \$1.44 billion.
- Swaps and Eurodollar futures to replicate swaps total \$789.0 million.
  - 43% of non-true ARMs hedged.
- Liquidity total \$155.2 million:
  - True cash on hand of \$90.5 million.
  - Unlevered securities of \$37.9.
  - Short-term Agency principal and interest receivables of \$26.8 million.

**Note:** Portfolio and liability information is as of 2/8/2011 and reflects prepayment information for February. Portfolio information includes \$410.7M of forward settles. (1) Based on independent third party pricing as of 2/7/2011.





## ARMOUR REIT Dividends

- ARMOUR pays dividends monthly.
- ARMOUR estimates that 100% of dividends paid in 2010 were generated from 2010 taxable REIT earnings.
- Q1 2011 Monthly Dividends
  - ARMOUR will pay first quarter 2011 monthly dividends of \$0.12 per month.
  - The shareholder record date is the 15th of each month, payable on the second to last business day of the month.
  - The 2011 dividend will be reviewed and set each quarter.

### ARMOUR 2010 Dividends

	Record Date	Pay Date	Cash Dividend	Annualized Return on Equity
Q1 2010	3/15/2010	4/29/2010	\$0.40	17.1%
Q2 2010	6/3/2010	7/29/2010	\$0.40	17.2%
Q3 2010	9/23/2010	10/29/2010	\$0.36	19.6%
Q4 2010	12/20/2010	12/27/2010	\$0.36	19.7%

Note: Return on Equity data is determined using the stated book value as of the end of the previous quarter.

### 2011 Dividend Record Date and Payment Schedule

	Record Date	Payment Date		Record Date	Payment Date
January	15th	28th	July	15th	28th
February	15th	25th	August	15th	30th
March	15th	30th	September	15th	29th
April	15th	28th	October	15th	28th
May	15th	27th	November	15th	29th
June	15th	29th	December	15th	29th



## ARMOUR REIT

Investment Strategy Review  
Investment Methodology Review  
Portfolio Composition  
Portfolio & Liability Valuation and Duration Detail  
Portfolio Constant Prepayment Rates (CPR)  
REPO Composition



## ARMOUR Residential REIT, Inc. – Targets, Strategy, and Governance Review

### Balance Sheet Targets

- By charter, ARMOUR only invests in Agency assets.
- Gross asset weighted average duration target of 2.5 or less.
- Net balance sheet weighted average duration target of 1.5 or less.
- Hedge asset and funding rate risk on as much as 40% of non-ARM assets.
- Hold 40% of unlevered equity in cash between prepayment periods.
- Debt to equity target of 9.0x.

### Portfolio Strategy

- Invest in low duration Agency mortgage securities.
- Diversify broadly to limit idiosyncratic pool risk.
- Close focus on prepayment profile – credit, structure, and other characteristics to select better performing assets.
- Smaller pools (“odd lots”) for better returns and diversification.

### Transparency and Governance

- Portfolio and liability details are updated monthly at [www.armourreit.com](http://www.armourreit.com).
- Premium amortization is expensed monthly as it occurs.
- Hedge positions are marked-to-market daily.
- Non-Executive Board Chairman.



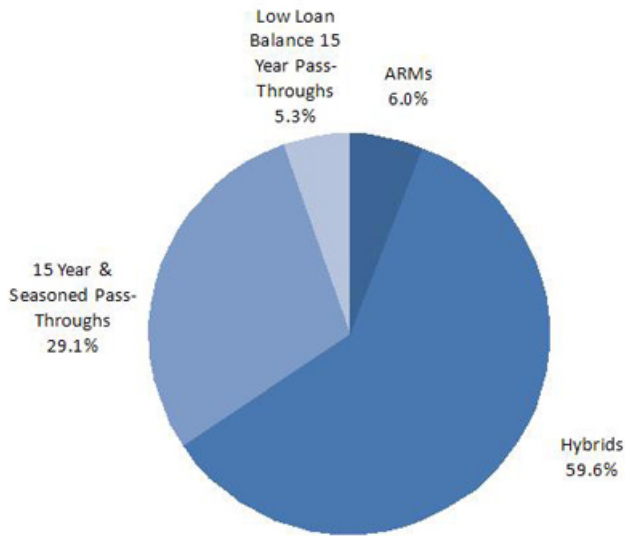
## ARMOUR Investment Methodology

Management has a very focused and disciplined approach to evaluating assets for inclusion in the ARMOUR portfolio.

- **Agency Only Securities**
  - By Charter the fund can only invest in Agency Securities.
- **Low Duration Assets**
  - Target a portfolio of low duration assets to reduce gross interest rate exposure.
- **Highly Liquid Assets**
  - Purchase those Agency mortgage assets that are highly liquid (easily traded and priced).
- **Diversified Sources**
  - Source assets through a mix of direct purchases from:
    - Originators
    - Dealer inventories
    - Bid lists
- **Loan analysis**
  - Original loan balance size.
  - Year of origination.
  - Originating company.
  - Loan seasoning.
  - Principal amortization schedule.
  - Original loan-to-value ratio.
  - Geography.
- **Pool analysis**
  - Prepayment History.
  - Premium over par.
  - “Hedgability.”
  - Liquidity.
  - Avoid third party originators (TPO’s).



## ARMOUR REIT Agency Asset Class Composition

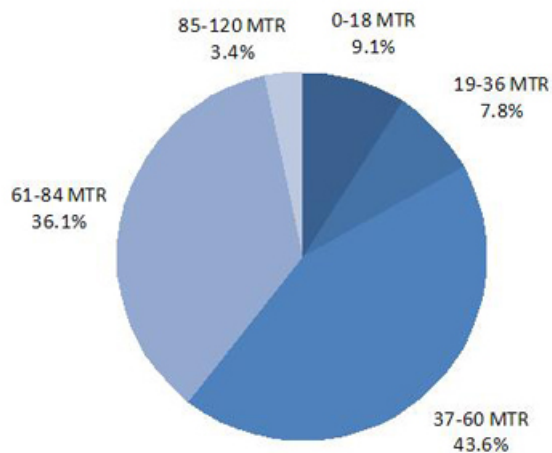


Agency Asset Class	Current Value
ARMs (0-18 Months to Reset) (1)	\$ 116,085,227
Hybrids (19 Months and Longer to Reset) (2)	\$ 1,157,448,425
15 Year & Seasoned Pass-Throughs (3)	\$ 566,124,445
Low Loan Balance 15 Year Pass-Throughs (4)	\$ 103,095,886
<b>Total</b>	<b>\$ 1,942,753,983</b>

- (1) The weighted average months to reset is 6.  
 (2) The weighted average months to reset is 62.  
 (3) Longest final maturity is April 2027.  
 (4) Maximum original loan balance of \$85,000.



## ARMOUR REIT ARM and Hybrid Security Composition



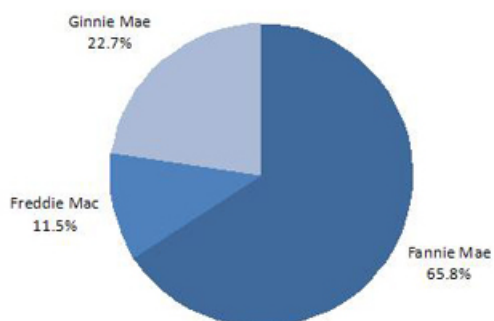
Months to Reset	Current Value	Weighted Average Months to Reset
0-18	\$ 116,085,227	7
19-36	\$ 98,957,941	32
37-60	\$ 555,881,172	51
61-84	\$ 459,622,110	77
85-120	\$ 42,987,201	113
<b>Total</b>	<b>\$ 1,273,533,652</b>	<b>57</b>

**Note:** Percentages are based on the total market value of both ARMs and hybrids.

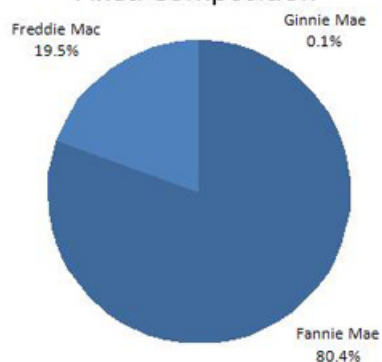


## ARMOUR REIT Agency Type Composition

### ARM & Hybrid Composition



### Fixed Composition



Agency Type	Current Value	Percentage of Total Portfolio
Fannie Mae	\$ 1,376,517,625	70.9%
Freddie Mac	\$ 277,127,285	14.2%
Ginnie Mae	\$ 289,109,073	14.9%
<b>Total</b>	<b>\$ 1,942,753,983</b>	<b>100.0%</b>



## ARMOUR REIT Portfolio and Liability Valuation and Duration Detail

Agency Asset Class	Weighted Average Purchase Price	Weighted Average Current Market Price	Weighted Average Coupon	Estimated Effective Duration Using Current Values
ARMs	104.7%	104.9%	3.68	0.52
Hybrids	104.0%	103.8%	3.88	3.12
15 Year & Seasoned Pass-Throughs	103.8%	102.7%	4.08	4.08
Low Loan Balance 15 Year Pass-Throughs	105.9%	105.8%	4.70	3.80
<b>Totals</b>	<b>104.1%</b>	<b>103.6%</b>	<b>3.97</b>	<b>3.28</b>

Estimated Balance Sheet Duration	Amount	Duration Effect on Balance Sheet	Weighted Average Hedge Rate	Weighted Average Hedge Duration
Agency Assets	\$ 1,942,753,983	3.28	n/a	n/a
Eurodollar Futures	\$ 249,000,000	-3.17	1.55	-3.17
Interest Rate Swaps	\$ 540,000,000	-3.67	1.55	-3.67
		<b>1.32</b>	<b>1.55</b>	<b>-3.51</b>

Duration estimates are derived from third-party software. Actual realized yields, durations and net durations described herein will depend on a number of factors that cannot be predicted with certainty. Market prices for our securities are obtained from independent third party sources.

As rates go down the value of our swaps and Eurodollar futures will typically decline. Inversely, as rates go up, the value of the swaps and Eurodollar futures will typically increase.

Durations are as of 2/8/2011.





## ARMOUR REIT Eurodollar Futures Detail

Eurodollar Futures to Replicate Swaps	Notional Amount	Weighted Average Rate	Duration
2 Year Swap	\$ 28,000,000	0.85%	1.75
3 Year Swap	\$ 107,000,000	1.30%	2.70
4 Year Swap	\$ 79,000,000	1.88%	3.60
5 Year Swap	\$ 35,000,000	2.17%	4.75
<b>Total or Weighted Average</b>	<b>\$ 249,000,000</b>	<b>1.55%</b>	<b>3.17</b>



## ARMOUR REIT Interest Rate Swap Detail

Trade Date	Counterparty	Term	Notional	Start	End	Fixed Rate	Floating Leg
11/23/2010	Citi	3 Years	20,000,000	11/26/2010	11/26/2013	0.9100	US0003M
12/13/2010	UBS	3 Years	20,000,000	12/15/2010	12/15/2013	1.2325	US0003M
12/13/2010	UBS	3 Years	5,000,000	12/15/2010	12/15/2013	1.2400	US0003M
12/17/2010	Citi	3 Years	20,000,000	12/21/2010	12/21/2013	1.0100	FED101
12/17/2010	Citi	3 Years	10,000,000	12/21/2010	12/21/2013	0.9750	FED101
12/20/2010	Citi	3 Years	25,000,000	12/22/2010	12/22/2013	0.9400	FED101
12/20/2010	UBS	2 Years	20,000,000	12/22/2010	12/24/2012	0.5288	FED101
12/20/2010	Citi	5 Years	15,000,000	12/22/2010	12/22/2015	1.8900	FED101
12/21/2010	Citi	5 Years	10,000,000	12/23/2010	12/23/2015	1.8425	FED101
12/21/2010	Citi	4 Years	10,000,000	12/23/2010	12/23/2014	1.4400	FED101
1/21/2011	Citi	5 Years	25,000,000	1/25/2011	1/25/2016	2.0200	FED101
1/21/2011	Citi	5 Years	15,000,000	1/25/2011	1/25/2016	1.9900	FED101
1/21/2011	UBS	3 Years	40,000,000	1/25/2011	1/27/2014	1.0175	FED101
1/24/2011	UBS	3 Years	30,000,000	1/26/2011	1/27/2014	1.0000	FED101
1/24/2011	Citi	5 Years	25,000,000	1/26/2011	1/26/2016	1.9700	FED101
1/25/2011	UBS	3 Years	20,000,000	1/27/2011	1/27/2014	0.9825	FED101
1/26/2011	UBS	4 Years	10,000,000	1/28/2011	1/28/2015	1.5100	FED101
2/1/2011	UBS	4 Years	10,000,000	2/3/2011	2/3/2015	1.4900	FED101
2/1/2011	Nomura	4 Years	10,000,000	2/3/2011	2/3/2015	1.4750	FED101
2/2/2011	UBS	4 Years	10,000,000	2/4/2011	2/4/2015	1.5600	FED101
2/2/2011	UBS	5 Years	10,000,000	2/4/2011	2/4/2016	1.9950	FED101
2/3/2011	Citi	5 Years	25,000,000	2/7/2011	2/8/2016	2.1300	FED101
2/3/2011	UBS	5 Years	25,000,000	2/7/2011	2/8/2016	2.0875	FED101
2/3/2011	Nomura	4 Years	20,000,000	2/7/2011	2/7/2015	1.6300	FED101
2/8/2011	Nomura	4 Years	30,000,000	2/10/2011	2/10/2015	1.7900	FED101
2/8/2011	Nomura	4 Years	30,000,000	2/10/2011	2/10/2015	1.8125	FED101
2/8/2011	Citi	5 Years	25,000,000	2/10/2011	2/10/2016	2.3100	FED101
2/8/2011	Citi	5 Years	25,000,000	2/10/2011	2/10/2016	2.3400	FED101
			<b>540,000,000</b>			<b>1.5497</b>	

Counterparty	Notional
Citi	250,000,000
UBS	200,000,000
Nomura	90,000,000
<b>Total</b>	<b>540,000,000</b>

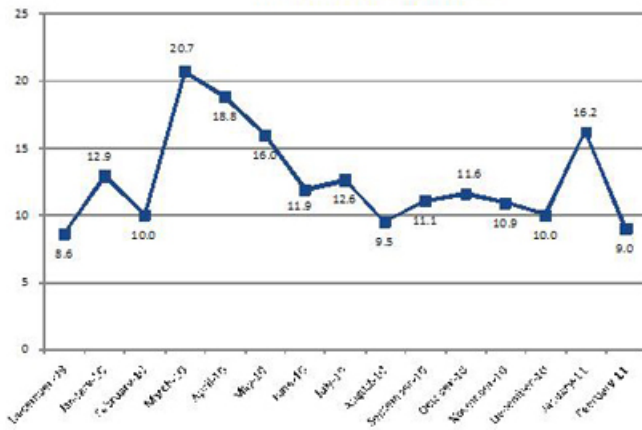
  

Term	Notional
2 Years	20,000,000
3 Years	190,000,000
4 Years	130,000,000
5 Years	200,000,000
<b>Total</b>	<b>540,000,000</b>

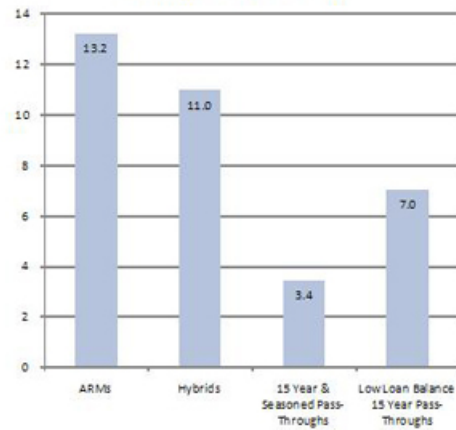


## ARMOUR REIT Portfolio Constant Prepayment Rates (CPR)

Monthly Portfolio  
Constant Prepayment Rate



February 2010  
Agency Asset Class CPR



- ARMOUR expenses premium amortization as it occurs.
- Constant Prepayment Rate (CPR) is the annualized equivalent of single monthly mortality (SMM). CPR attempts to predict the percentage of principal that will prepay over the next twelve months based on historical principal pay downs.
- CPR is reported on the 4th business day of the month for the previous month's prepayment activity.



## ARMOUR REIT REPO Composition

REPO Counter-Party	Principal Borrowed	Percentage of REPO Positions with ARMOUR	Weighted Average Maturity in Days	Longest Maturity in Days
MF Global Inc.	\$ 203,576,000	14.1%	39	85
Cantor Fitzgerald & Co. Inc.	\$ 184,088,900	12.8%	11	17
Guggenheim Securities, LLC	\$ 166,848,000	11.6%	23	38
Nomura Securities International, Inc.	\$ 162,156,000	11.2%	62	85
RBS Securities Inc.	\$ 161,744,000	11.2%	15	20
Goldman, Sachs & Co.	\$ 161,046,000	11.2%	14	20
South Street Securities LLC	\$ 130,902,126	9.1%	29	51
UBS Securities LLC	\$ 116,836,000	8.1%	17	24
Mizuho Securities USA Inc.	\$ 94,137,000	6.5%	12	20
Jefferies & Company, Inc.	\$ 29,980,000	2.1%	31	31
Daiwa Securities America Inc.	\$ 23,071,000	1.6%	9	9
PrinceRidge Group LLC	\$ 8,715,000	0.6%	2	2
<b>Total or Weighted Average</b>	<b>\$ 1,443,100,026</b>	<b>100.0%</b>	<b>25</b>	<b>85</b>
<b>Weighted Average Haircut</b>	<b>5.23%</b>			
<b>Weighted Average Repo Rate</b>	<b>0.30%</b>			
<b>February Paydowns</b>	<b>\$ (18,699,925)</b>			
<b>Total REPO after Paydowns</b>	<b>\$ 1,424,400,101</b>			
<b>Debt to Equity Ratio after Paydowns</b>	<b>6.20</b>			

**Note:** ARMOUR has signed MRA's with 16 counter-parties as of 2/8/2011. Repo data is as of 2/8/2011.





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