WACHOVIA CORP NEW
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October 31, 2006
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PROSPECTUS SUPPLEMENT

(To prospectus dated May 13, 2005)

$12,500,000

Wachovia Corporation

Enhanced Yield Notes

due November 3, 2009

Offering 100% Principal Protection

Issuer:	Wachovia Corporation
Principal Amount:	Each note will have a principal amount of $1,000. Each note will be offered at an initial public offering price of $1,000.
Maturity Date:	November 3, 2009
Interest:	The notes will bear interest at a rate equal to 12% per annum, payable annually, unless the closing price of any one of the following seven commodities is less than or equal to that commodities barrier level on the relevant interest valuation date: gold, WTI crude oil, zinc, aluminum, copper, nickel and lead (each, a Component Commodity , and collectively the Component Commodities), in which case the interest rate and, therefore, the interest payment for that interest period will be zero. The barrier levels for gold, WTI crude oil, zinc, aluminum, copper, nickel and lead equal: $387.56, $39.49, $2,739.75, $1,849.25, $4,883.45, $21,190.00 and $1,072.50, respectively, the prices that are 65% of the initial component commodity price, of each Component Commodity as determined by the calculation agent. *If the closing price of any Component Commodity is less than or equal to its respective barrier level on any interest valuation date, the interest rate for that interest period will be zero and you will not receive an interest payment on the corresponding interest payment date.*
Interest Payment Dates:	November 3 of each year, beginning November 3, 2007
Maturity Payment Amount:	

	On the maturity date, for each note that you hold, you will receive a cash payment equal to the principal amount of your note, plus accrued but unpaid interest.
Listing:	The notes will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network.
Pricing Date:	October 27, 2006
Expected Settlement Date:	November 3, 2006
CUSIP number:	929903CC4

For a detailed description of the terms of the notes, see Summary Information beginning on page S-1 and Specific Terms of the Notes beginning on page S-15.

Investing in the notes involves risks. See Risk Factors beginning on page S-8.

	Per Note	Total
Public Offering Price	100.00%	$ 12,500,000.00
Underwriting Discount and Commission	2.60%	$ 325,000.00
Proceeds to Wachovia Corporation	97.40%	$ 12,175,000.00

The notes solely represent a senior unsecured debt obligation of Wachovia and are not the obligation of, or guaranteed by, any other entity. The notes are not deposits or accounts and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

Neither the Securities and Exchange Commission nor any state securities commission has approved nor disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Wachovia may use this prospectus supplement in the initial sale of the notes. In addition, Wachovia Capital Markets, LLC or any other broker-dealer affiliate of Wachovia may use this prospectus supplement in a market-making or other transaction in any note after its initial sale. ***Unless Wachovia or its agent informs the purchaser otherwise in the confirmation of sale, this prospectus supplement is being used in a market-making transaction.***

Wachovia Securities

The date of this prospectus supplement is October 27, 2006.

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Prospectus Supplement

Prospectus

Unless otherwise indicated, you may rely on the information contained in this prospectus supplement and the accompanying prospectus. Neither we nor the underwriter has authorized anyone to provide information different from that contained in this prospectus supplement and the accompanying prospectus. When you make a decision about whether to invest in the notes, you should not rely upon any information other than the information in this prospectus supplement and the accompanying prospectus. Neither the delivery of this prospectus supplement nor sale of the notes means that information contained in this prospectus supplement or the accompanying prospectus is correct after their respective dates. This prospectus supplement and the accompanying prospectus are not an offer to sell or solicitation of an offer to buy the notes in any circumstances under which the offer or solicitation is unlawful.

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SUMMARY INFORMATION

This summary includes questions and answers that highlight selected information from this prospectus supplement and the accompanying prospectus to help you understand the Enhanced Yield Notes due November 3, 2009 Offering 100% Principal Protection (the notes). You should carefully read this prospectus supplement and the accompanying prospectus to fully understand the terms of the notes, the Component Commodities and the tax and other considerations that are important to you in making a decision about whether to invest in the notes. You should carefully review the section Risk Factors in this prospectus supplement and the accompanying prospectus, which highlights certain risks associated with an investment in the notes, to determine whether an investment in the notes is appropriate for you.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to Wachovia , we , us and our or similar references mean Wachovia Corporation and its subsidiaries. Wachovia Capital Markets, LLC is an indirect, wholly owned subsidiary of Wachovia Corporation. Wachovia Corporation conducts its investment banking, capital markets and retail brokerage activities through its various broker-dealer, bank and non-bank subsidiaries, including Wachovia Capital Markets, LLC, under the trade name Wachovia Securities . Any reference to Wachovia Securities in this prospectus supplement does not, however, refer to Wachovia Securities, LLC, member of the New York Stock Exchange and the Securities Investor Protection Corporation or Wachovia Securities Financial Network, LLC, member of the National Association of Securities Dealers, Inc. and the Securities Investor Protection Corporation, broker-dealer affiliates of Wachovia Corporation and Wachovia Capital Markets, LLC. Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to WBNA mean Wachovia Bank, National Association. All references to this prospectus supplement mean the pricing supplement contemplated in the accompanying prospectus.

What are the notes?

The notes offered by this prospectus supplement will be issued by Wachovia Corporation and will mature on November 3, 2009, the date that is three years following the settlement date. The annual interest rate on the notes will be dependent upon the closing prices of the Component Commodities on the applicable interest valuation date.

The Component Commodities are set forth below:

Gold (Bloomberg symbol GOLDLNPM)

WTI Crude Oil (Bloomberg symbol CL1)

Zinc (Bloomberg symbol LOZSDY)

Aluminum (Bloomberg symbol LOAHDY)

Copper (Bloomberg symbol LOCADY)

Nickel (Bloomberg symbol LONIDY)

Lead (Bloomberg symbol LOPBDY)

Similarly, the Component Commodities upon which the annual interest rate depends will not change, except as described under Specific Terms of the Notes Adjustments to the Component Commodities on page S-17.

As discussed in the accompanying prospectus, the notes are debt securities and are part of a series of debt securities entitled Medium-Term Notes, Series G that Wachovia Corporation may issue from time to time. The notes will rank equally with all other unsecured and unsubordinated debt of Wachovia Corporation. For more details, see Specific Terms of the Notes beginning on page S-15.

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Each note will have a principal amount of $1,000. Each note will be offered at an initial public offering price equal to $1,000. You may transfer only whole notes. Wachovia Corporation will issue the notes in the form of a global certificate, which will be held by The Depository Trust Company, also known as DTC, or its nominee. Direct and indirect participants in DTC will record your ownership of the notes.

Are the notes principal protected?

The notes are fully principal protected and guarantee a return of 100% of the principal amount of the notes at maturity. Even if the closing price of a Component Commodity is less than its respective barrier level on one or all interest valuation dates, you will still receive a return of 100% of the principal amount of your notes at maturity.

Will I receive interest on the notes?

The notes will bear interest at a rate of 12% per annum payable on each interest payment date, unless the closing price of any one of the Component Commodities is less than or equal to its respective barrier level on the relevant interest valuation date, in which case the interest rate and, therefore, the interest payment amount for that interest period will be zero.

The barrier levels for gold, WTI crude oil, zinc, aluminum, copper, nickel and lead equal: $387.56, $39.49, $2,739.75, $1,849.25, $4,883.45, $21,190.00 and $1,072.50, respectively, the prices that are 65% of the initial component commodity price of each Component Commodity, as determined by the calculation agent.

The initial component commodity price of gold, WTI crude oil, zinc, aluminum, copper, nickel and lead is equal to the closing price of each Component Commodity on October 27, 2006.

The closing price of each Component Commodity will be determined by reference to its official closing price or cash settlement price on the relevant exchange or market on the applicable interest valuation date, as follows:

(i) In the case of gold, the afternoon U.S. dollar fixing price per troy ounce of unallocated gold bullion for delivery in London through a member of the London Bullion Market Association (the LBMA) authorized to effect such delivery;

(ii) In the case of WTI crude oil, the U.S. dollar settlement price per barrel of West Texas Intermediate light sweet crude oil on the New York Mercantile Exchange (the NYMEX) of the first nearby futures contract;

(iii) In the case of zinc, the official U.S. dollar settlement price per ton of special high grade zinc on the London Metals Exchange (the LME) for cash delivery.

(iv) In the case of aluminum, the official U.S. dollar settlement price per ton of high grade primary aluminum on the LME for cash delivery;

(v) In the case of copper, the official U.S. dollar settlement price per ton of copper-Grade A on the LME for cash delivery;

(vi) In the case of nickel, the official U.S. dollar settlement price per ton of primary nickel on the LME for cash delivery; and

(vii) In the case of lead, the official U.S. dollar settlement price per ton of standard lead on the LME for cash delivery.

The interest payment dates are November 3 of each year, beginning on November 3, 2007.

The interest valuation date mean the fifth trading day prior to each interest payment date. However, if any such day occurs on a day that is a disrupted day with respect to a Component Commodity, then the interest valuation date with

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respect to that Component Commodity will be postponed until the next succeeding trading day that is not a disrupted day with respect to the affected Component Commodity; provided that in no event will an interest valuation date be postponed by more than ten trading days. If an interest valuation date is postponed to the last possible day but that day is a disrupted day, that date will nevertheless be the interest valuation date. *If an interest valuation date is postponed, then the corresponding interest payment date will be postponed by an equal number of trading days.*

A business day means a day that is a Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in New York City or London generally are authorized or obligated by law, regulation or executive order to close.

A trading day means any day on which each exchange is scheduled to be open for its respective regular trading sessions.

A disrupted day means any trading day on which a market disruption event has occurred or is continuing with respect to any Component Commodity.

Each interest period will start on an interest payment date and end on the immediately following interest payment date.

If the closing price of any Component Commodity is less than or equal to its respective barrier level on any interest valuation date, the interest rate for that interest period will be zero and you will not receive an interest payment on the corresponding interest payment date.

What will I receive upon maturity of the notes?

At maturity, for each note for own, you will receive a cash payment equal to the principal amount of the note, plus accrued but unpaid interest.

How is Wachovia able to offer a possible 12% interest rate on the notes?

Wachovia is able to offer a 12% interest rate on the notes because the notes are riskier than conventional principal protected debt securities. As previously described, if the closing price of any Component Commodity is less than or equal to its respective barrier level on any interest valuation date, the interest rate for that interest period will be zero and you will not receive an interest payment on the corresponding interest payment date. The interest rate reflects the value of our right to not pay you interest on the notes during one or all of the interest periods under these circumstances.

Hypothetical Examples

Set forth below are four hypothetical examples of the calculation of the interest rate for each interest period during the term of the notes.

Component Commodity	Initial Component Commodity Prices	Barrier Levels
Gold	$ 596.25	$ 387.56
WTI Crude Oil	$ 60.75	$ 39.49
Zinc	$ 4,215.00	$ 2,739.75
Aluminum	$ 2,845.00	$ 1,849.25
Copper	$ 7,513.00	$ 4,883.45
Nickel	$ 32,600.00	$ 21,190.00
Lead	$ 1,650.00	$ 1,072.50

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Example 1 The hypothetical closing price of each Component Commodity on each interest valuation date is greater than that Component Commodity s respective barrier level.

Component Commodity	Hypothetical Closing Prices on the First Interest Valuation Date	Hypothetical Closing Prices on the Second Interest Valuation Date	Hypothetical Closing Prices on Third the Interest Valuation Date
Gold	$ 600.00	$ 580.00	$ 590.00
WTI Crude Oil	$ 55.00	$ 60.00	$ 57.50
Zinc	4,000.00	$ 4,200.00	$ 4,100.00
Aluminum	$ 2,800.00	$ 2,700.00	$ 2,750.00
Copper	$ 7,500.00	$ 7,400.00	$ 7,450.00
Nickel	$ 32,000.00	$ 25,000.00	$ 28,500.00
Lead	$ 1,600.00	$ 1,400.00	$ 1,500.00

Since the hypothetical closing price of each Component Commodity on each interest valuation date is *greater* than that Component Commodity s respective barrier level, the interest rate for each interest period would equal 12%. The maturity payment amount, exclusive of accrued and unpaid interest, will equal the principal amount of your note.

Example 2 The hypothetical closing price of each Component Commodity on each of the first two interest valuation dates is greater than that Component Commodity s respective barrier level. The hypothetical closing price of one Component Commodity on third interest valuation date is less than its barrier level.

Component Commodity	Closing Prices on First Interest Valuation Date	Closing Prices on Second Interest Valuation Date	Closing Prices on Third Interest Valuation Date
Gold	$ 600.00	$ 580.00	$ 590.00
WTI Crude Oil	$ 55.00	$ 60.00	$ 57.50
Zinc	$ 4,000.00	$ 4,200.00	$ 2,500.00
Aluminum	$ 2,800.00	$ 2,700.00	$ 2,750.00
Copper	$ 7,500.00	$ 7,400.00	$ 7,450.00
Nickel	$ 32,000.00	$ 25,000.00	$ 28,500.00
Lead	$ 1,600.00	$ 1,400.00	$ 1,500.00

Since the hypothetical closing prices of each Component Commodity on the first and second interest valuation dates are *greater* than each Component Commodity s respective barrier level, the interest rate for the first two interest periods would equal 12%. Since the hypothetical closing price of zinc on the third interest valuation date is *less* than that Component Commodities respective barrier level, the interest rate for the third interest period would equal 0%. The maturity payment amount, exclusive of accrued and unpaid interest, will equal the principal amount of your note.

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Example 3 The hypothetical closing price of at least one Component Commodity on the first interest valuation date is less than that Component Commodity s respective barrier level. The hypothetical closing price of each Component Commodity on the second and third interest valuation dates is greater than that Component Commodity s respective barrier level.

Component Commodity	Closing Prices on First Interest Valuation Date	Closing Prices on Second Interest Valuation Date	Closing Prices on Third Interest Valuation Date
Gold	$ 350.00	$ 580.00	$ 590.00
WTI Crude Oil	$ 55.00	$ 60.00	$ 57.50
Zinc	$ 4,000.00	$ 4,200.00	$ 4,100.00
Aluminum	$ 1,750.00	$ 2,700.00	$ 2,750.00
Copper	$ 7,500.00	$ 7,400.00	$ 7,450.00
Nickel	$ 32,000.00	$ 25,000.00	$ 28,500.00
Lead	$ 1,600.00	$ 1,400.00	$ 1,500.00

Since the hypothetical closing price of at least one Component Commodity on the first interest valuation date is *less* than that Component Commodity s respective barrier level, the interest rate for the first interest period would equal 0%. Since the hypothetical closing prices of each Component Commodity on the second and third interest valuation dates are *greater* than each of the Component Commodity s respective barrier levels, the interest rate for the second and third interest periods would equal 12%. The maturity payment amount, exclusive of accrued and unpaid interest, will equal the principal amount of your note.

Example 4 The hypothetical closing price of one Component Commodity is less than its barrier level on each of the three interest valuation dates.

Component Commodity	Component Commodity Prices at Year 1	Component Commodity Prices at Year 2	Component Commodity Prices at Year 3
Gold	$ 600.00	$ 580.00	$ 590.00
WTI Crude Oil	$ 35.00	$ 30.00	$ 37.00
Zinc	$ 4,000.00	$ 4,200.00	$ 4,100.00
Aluminum	$ 2,800.00	$ 2,700.00	$ 2,750.00
Copper	$ 7,500.00	$ 7,400.00	$ 7,450.00
Nickel	$ 32,000.00	$ 25,000.00	$ 28,500.00
Lead	$ 1,600.00	$ 1,400.00	$ 1,500.00

Since the hypothetical closing price of one Component Commodity on each of the three interest valuation dates is *less* than that Component Commodity s respective barrier level, the interest rate for each of the interest periods would equal 0%. The maturity payment amount will equal the principal amount of your note, and you would receive no interest.

Who should or should not consider an investment in the notes?

We have designed the notes for investors who are willing to hold the notes to maturity, who seek exposure to commodities generally and the Component Commodities, who seek the ability to receive variable annual interest rate payments and are willing to receive no interest in any or all interest periods and who seek to protect their investment by receiving at least 100% of the principal amount of their investment at maturity.

The notes are not designed for, and may not be a suitable investment for, investors who are unable or unwilling to hold the notes to maturity, who seek an investment that bears a constant or fixed interest rate or who are unable or unwilling to invest in commodities generally or the Component Commodities.

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What will I receive if I sell the notes prior to maturity?

The market value of the notes may fluctuate between the date you purchase them and the maturity date. Several factors and their interrelationship will influence the market value of the notes, including the price of the Component Commodities, the time remaining to the maturity date, interest rates and the volatility of the Component Commodities markets. The notes are 100% principal protected only if held to maturity. If you sell your notes prior to maturity, you may have to sell them at a discount and you will not have principal protection. Depending on the impact of these factors, you may receive less than the principal amount in any sale of your notes before the maturity date and less than what you would have received had you held the notes until maturity. For more details, see Risk Factors Many factors affect the market level of the notes .

How are the closing prices for the Component Commodities determined?

The closing prices of the Component Commodities are determined by reference to the official closing price or cash settlement price on the NYMEX, the LME or the LBMA as applicable, as described under Specific Terms of the Notes Maturity Payment Amount beginning on page S-15. The NYMEX is the world s largest physical commodities futures exchange and a leading trading forum for energy and precious metals. The NYMEX trades a variety of commodity products, including future contracts for WTI crude oil. The LME was established in 1877 and is the principal non-ferrous metals exchange in the world on which contracts for zinc, aluminum, copper, nickel and lead among other metals, are traded. The LME operates as a principals market and is, therefore, more closely analogous to over-the-counter physical commodity markets than futures markets. The LBMA is the principal gold clearing center for over-the-counter gold bullion transactions. Twice daily during London trading hours a fixing occurs which provides reference prices for that day s trading.

What about taxes?

The United States federal income tax consequences of your notes are complex and uncertain. The tax treatment of your notes will depend upon whether the notes are properly treated as variable rate debt instruments, and this may depend upon whether or not it is reasonably expected that the average rate of return on the notes during the first half of the notes term will be significantly greater or less than the average rate of return on the notes during the second half of the notes term (Front or Back-Loaded). We believe that the notes should not be treated as Front or Back-Loaded and we intend to report payments on the notes in accordance with such position. Assuming that such position is correct, your notes should be treated as variable rate debt instruments for United States federal income tax purposes. Under this characterization, you will be subject to tax on the notes periodic interest payments, if any, as ordinary income at the time you receive or accrue such periodic payments, depending on your method of accounting for tax purposes; and any gain or loss you recognize upon the sale or maturity of your notes will be capital gain or loss.

If the Internal Revenue Service disagrees with this tax treatment, the notes will likely be treated as a debt instrument subject to the special rules governing contingent payment debt instruments, as described under Supplemental Tax Considerations Supplemental U.S. Tax Considerations Alternative Characterization on page S-27. If the notes are so treated, you will be required to accrue interest income over the term of your notes based upon the yield at which we would have issued a non-contingent fixed-rate debt instrument with terms and conditions similar to your notes.

For further discussion, see Supplemental Tax Considerations beginning on page S-27.

Will the notes be listed on a stock exchange?

The notes will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network. There can be no assurance that a liquid trading market will develop for the notes. Accordingly, if you sell your notes prior to the maturity date, you may have to sell them at a substantial loss. You should review the section entitled Risk Factors There may not be an active trading market for the notes in this prospectus supplement.

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Are there any risks associated with my investment?

Yes, an investment in the notes is subject to significant risks. We urge you to read the detailed explanation of risks in "Risk Factors" beginning on page S-8.

How to reach us

You may reach us by calling (704) 715-8400 and asking for Structured Notes.

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RISK FACTORS

An investment in the notes is subject to the risks described below, as well as the risks described under Risk Factors Risks Related to Indexed Notes in the accompanying prospectus. Your notes are a riskier investment than ordinary debt securities. Also, your notes are not equivalent to investing directly in the Component Commodities, the performance of which will affect the amount of interest that you will receive in any interest period. You should carefully consider whether the notes are suited to your particular circumstances.

The notes are intended to be held to maturity. Your principal is only protected if you hold your notes to maturity

You will receive 100% of the principal amount of your notes if you hold your notes to maturity, subject to our ability to pay our obligations. If you sell your notes in the secondary market prior to maturity, you will not receive principal protection on the portion of your notes sold. You should be willing to hold your notes to maturity.

Your yield may be lower than the yield on a standard debt security of comparable maturity

The yield that you will receive on your notes, which may be zero, may be less than the return you could earn on other investments. Your investment may not reflect the full opportunity cost to you when you take into account factors that affect the time value of money.

Even if the closing prices of each Component Commodity is greater than its respective barrier level on each interest valuation date, the maturity payment amount with respect to your notes will always be limited to the principal amount. Therefore, aside from interest payments, you should be prepared to realize no return over the principal amount of your notes at maturity.

Owning the notes is not the same as having rights in exchange-traded futures contracts on the Component Commodities

You will not have rights that holders of the exchange-traded futures on the Component Commodities may have. Even if the prices of some or all of the Component Commodities increase during the term of the notes, the market value of the notes may not increase by the same amount. It is also possible for the prices of all of the Component Commodities to increase while the market value of the notes declines.

There may not be an active trading market for the notes

You should be willing to hold your notes to maturity. The notes will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network. There can be no assurance that a liquid trading market will develop for the notes. The development of a trading market for the notes will depend on our financial performance and other factors such as the increase, if any, in the prices of the Component Commodities. Even if a secondary market for the notes develops, it may not provide significant liquidity and we expect that transaction costs in any secondary market would be high. As a result, the difference between bid and asked prices for your note in any secondary market could be substantial. If you sell your notes before maturity, you may have to do so at a discount from the original public offering price, and, as a result, you may suffer substantial losses.

Wachovia Capital Markets, LLC and other broker-dealer affiliates of Wachovia currently intend to make a market for the notes, although they are not required to do so and may stop any market-making activities at any time. As market makers, trading of the notes may cause Wachovia Capital Markets, LLC or any other broker-dealer affiliates of Wachovia to have long or short positions of the notes in their inventory. The supply and demand for the notes, including inventory positions of market makers, may affect the secondary market for the notes.

Many factors affect the market value of the notes

The market value of the notes will be affected by factors that interrelate in complex ways. It is important for you to understand that the effect of one factor may offset the increase in the market value of the notes caused by another factor and that the effect of one factor may exacerbate the decrease in the market value of the notes caused by another factor. For example, a change in the volatility of the Component Commodities markets may offset some or all of any increase in

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the market value of the notes attributable to another factor, such as an increase in the prices of the Component Commodities. In addition, a change in interest rates may offset other factors that would otherwise change the prices of the Component Commodities and, therefore, may change the market value of the notes. The following paragraphs describe some of the factors that could have an impact on the market value of the notes, assuming all other conditions remain constant.

- Changes in the volatility (the frequency and magnitude of changes in market prices) of the Component Commodities are expected to affect the market value of the notes in unforeseeable ways;
- Changes in the levels of interest rates are expected to affect the market value of the notes;
- Changes in our credit ratings may affect the market value of the notes;
- Changes in correlation among the prices of the Component Commodities may affect the value of the notes;
- Suspension or disruptions of market trading in a Component Commodity and related futures markets may adversely affect the value of your notes;
- The time remaining to maturity may affect the value of the notes.

There are specific risks associated with many of the Component Commodities

Gold Gold prices are subject to volatile price movements over short periods of time and are affected by numerous factors. These include economic factors, including, among other things the structure of and confidence in the global monetary system, expectations of the future rate of inflation, the relative strength of, and confidence in, the U.S. dollar (the currency in which the price of gold is generally quoted), interest rates and gold borrowing and lending rates, and global or regional economic, financial, political, regulatory, judicial or other events. Gold prices may also be affected by industry factors such as industrial and jewelry demand, lending, sales and purchases of gold by the official sector, including central banks and other governmental agencies and multilateral institutions which hold gold, levels of gold production and production costs, and short-term changes in supply and demand because of trading activities in the gold market. It is not possible to predict the aggregate effect of all or any combination of these factors.

WTI Crude Oil Oil prices are highly volatile. They are affected by numerous factors in addition to economic activity. These include political events, weather, labor activity, and, especially, direct government intervention such as embargos, and supply disruptions in major producing or consuming regions such as the Middle East, the United States, Latin America and Russia. Such events tend to affect oil prices worldwide, regardless of the location of the event. The outcome of meetings of the Organization of Petroleum Exporting Countries can particularly affect world oil supply and oil prices. Oil prices could also be affected by any decision by the Organization of Petroleum Exporting Countries to quote oil prices in a currency other than U.S. dollars (such as Euros), which could decrease liquidity in the applicable futures contract, and thereby affect the value of such futures contract. Market expectations about these events and speculative activity also cause prices to fluctuate. Due to the recent rapid appreciation in energy prices, there is a significant possibility that a negative correction will occur and decrease oil prices, thereby adversely affecting the value of the notes.

Furthermore, a significant proportion of world oil production capacity is controlled by a small number of producers, and such producers have in the recent past implemented curtailments of output and trade. Such efforts at supply curtailment (or the cessation thereof) could affect the value of the applicable futures contract. Oil s major end-use as a refined product is as a transport fuel, industrial fuel and in-home heating fuel. Potential for substitution exists in most areas, although considerations including relative cost often limit substitution levels. However, the development of a substitute product or transport fuel could adversely affect the value of the applicable futures contract.

In the event of sudden disruptions in the supplies of oil, such as those caused by war, accidents, weather or acts of terrorism, prices of oil futures contracts and, consequently, the price of oil, could become extremely volatile and unpredictable. Also, sudden and dramatic declines in futures contract prices may occur, for example, upon a cessation of hostilities that may exist in countries producing oil, the discovery of significant additional sources or reserves of oil, the introduction of new or previously withheld supplies into the market (e.g., oil from Iraq) or the introduction of substitute

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products or commodities. Any such declines could have a significant adverse effect on the annual interest rate of the notes and on the value of the notes. In addition, the price of oil has on occasion been subject to very rapid and significant short-term changes due to speculative activities which, if such activities result in a price decrease, may cause the value of the notes to decrease. Such volatility could lead some investors in oil futures contracts to withdraw from the applicable futures markets, which could adversely affect the liquidity of such markets and could adversely affect the value of the annual interest rate on the notes and, correspondingly, the value of the notes.

Zinc The price of zinc is primarily affected by the global demand for, and supply of, zinc. Demand for zinc is significantly influenced by the level of global industrial economic activity. The galvanized steel industrial sector is particularly important given that the use of zinc in the manufacture of galvanized steel accounts for approximately 50% of world-wide zinc demand. The galvanized steel sector is in turn heavily dependent on the automobile and construction sectors. A relatively widespread increase in the demand for zinc by the galvanized steel sector, particularly in China and the United States, has been the primary cause of the recent rise in zinc prices. An additional, but highly volatile, component of demand is adjustments to inventory in response to changes in economic activity and/or pricing levels.

The supply of zinc concentrate (the raw material) is dominated by China, Australia, North America and Latin America. The supply of zinc is also affected by current and previous price levels, which will influence investment decisions in new mines and smelters.

Aluminum Market prices for aluminum are highly volatile and are affected by numerous factors, with the two principal factors being the level of economic activity in the main consuming markets and the rate of supply of new metal from producers. Other factors influencing market prices for aluminum include disruptions in aluminum output, the level of metal exports from Russia, producer cut-backs and speculative activity.

Production of aluminum is a three-stage process beginning with the mining of bauxite. The mining of bauxite occurs mainly in the tropics, with the major producing regions being the Caribbean, South America, Africa, Southeast Asia and Australia. Fluctuation in the supplies of bauxite or social or political disruptions in the major producing regions could affect the price of aluminum and, therefore, the annual interest rate on the notes. The production of aluminum from alumina is a power-intensive process and a continuous supply of electrical power is essential. A significant proportion of aluminum production capacity is located close to resources of hydroelectric power. Other economical energy sources for producing aluminum include low-grade coal and waste gases from oil production. However, disruptions in the supply of energy to aluminum producers or an increase in the cost thereof could affect the price of aluminum and, therefore, the annual interest rate on the notes as well as the value of the notes. Furthermore, a significant proportion of western world aluminum production capacity is controlled by a small number of companies, and such producers have in the past implemented temporary curtailments of output. Such efforts at supply curtailment (or the cessation thereof) could affect the price of aluminum and, therefore, the annual interest rate on the notes. Aluminum s major end-uses include applications in the transportation, construction, packaging ad electrical industries. Potential for substitution exists in all areas, although considerations including relative weight and cost often limit substitution levels. However, the development of a substitute product could adversely affect the price of aluminum and, therefore, the annual interest rate on the notes.

In the event of sudden disruptions in the supplies of aluminum, such as those caused by war, accidents, weather of acts of terrorism, aluminum prices and, consequently, the annual interest rate on the notes, could become extremely volatile and unpredictable. Also, sudden and dramatic declines in aluminum prices as may occur, for example, upon cessation of hostilities that may exist in countries producing aluminum or upon the discovery of significant additional sources or reserves of the raw materials necessary to produce aluminum (e.g., bauxite or electricity), the introduction of new or previously withheld supplies into the market (e.g., aluminum from the former Soviet Union) or the introduction of substitute products of commodities, could have a significant adverse effect on the price of aluminum and, therefore, the annual interest rate on the notes and on the value of the notes. In addition, the price of aluminum has on occasion been subject to very rapid and significant short-term changes due to speculative activities which, if such activities result in a price decrease, may cause the value of the notes to decrease.

Copper The price of copper is primarily affected by the global demand for, and supply of, copper. Demand for copper is significantly influenced by the level of global industrial economic activity. Industrial sectors which are particularly important include the electrical and construction sectors. In recent years demand has been supported by strong consumption from newly industrializing countries, which continue to be in a copper-intensive period of economic growth as they develop their infrastructure. An additional, but highly volatile, component of demand is adjustments to inventory in response to changes in economic activity and/or pricing levels.

Apart from the United States, Canada and Australia, the majority of copper concentrate supply (the raw material) comes from countries that have experienced political instability and upheaval and, as a result, copper supply has been affected by strikes, financial problems and terrorist activity in recent years.

Nickel The price of nickel is primarily affected by the global demand for, and supply of, nickel. Demand for nickel is significantly influenced by the level of global industrial economic activity. The stainless steel industrial sector is particularly important given that the use of nickel in the manufacture of stainless steel accounts for approximately two-thirds of worldwide nickel demand. An additional, but highly volatile, component of demand is adjustments to inventory in response to changes in economic activity and/or pricing levels.

Nickel supply is dominated by Russia, the world s largest producer by far. Australia and Canada are also large producers. The supply of nickel is also affected by current and previous price levels, which will influence investment decisions in new mines and smelters.

Lead The price of lead is primarily affected by the global demand for and supply of lead. Demand for lead is significantly influenced by the level of global industrial economic activity. The storage battery market is particularly important given that the use of lead in the manufacture of batteries accounts for approximately two-thirds of worldwide lead demand. Lead is also used to house power generation units as it protects against electrical charges and dangerous radiations. Additional applications of lead include petrol additives, pigments, chemicals and crystal glass.

The supply of lead is widely spread around the world. It is affected by current and previous price levels, which influence important decisions regarding new mines and smelters. A critical factor influencing supply is the environmental regulatory regimes of the countries in which lead is mined and processed. It is not possible to predict the aggregate effect of all or any combination of these factors.

Risks relating to trading of Component Commodities on the LME

The closing prices of zinc, aluminum, copper, nickel and lead will be determined by reference to the U.S. dollar settlement prices of contracts traded on the LME. The LME is a principals market which operates in a manner more closely analogous to the over-the-counter physical commodity markets than regulated futures markets, and certain features of U.S. futures markets are not present in the context of LME trading. For example, there are no daily price limits on the LME, which would otherwise restrict the extent of daily fluctuations in the prices of LME contracts. In a declining market, therefore, it is possible that prices would continue to decline without limitation within a trading day or over a period of trading days. In addition, depending on the underlying commodity, a contract may be entered into on the LME calling for daily delivery from one day to three months following the date of such contract and for monthly delivery from the seventh month following the date of such contract up to 63 months following the date of such contract, in contrast to trading on futures exchanges, which call for delivery in stated delivery months. As a result, there may be a greater risk of a concentration of positions in LME contracts on particular delivery dates, which in turn could cause temporary aberrations in the prices of LME contracts for certain delivery dates. If such aberrations occur on an interest valuation date, the U.S. dollar settlement prices used to determine the closing price of copper, aluminum and nickel, and consequently the interest payment amount, could be adversely affected.

Risks relating to trading of Component Commodities on the LBMA

The price of gold will be determined by reference to fixing prices reported by the LBMA. The LBMA is a self-regulatory association of bullion market participants. Although all market-making members of the LBMA are supervised by the Bank of England and are required to satisfy a capital adequacy test, the LBMA itself is not a regulated entity. If the LBMA could stop operations, or if bullion trading should become subject to a value added tax, any other tax or any other form of regulation currently not in place, the role of the LBMA price fixings as a global benchmark for the value of gold may be adversely affected. The LBMA is a principals market which operates in a manner more closely analogous to the over-the-counter physical commodity market than U.S. futures markets, and certain features of U.S. futures contracts are not present in the context of LBMA trading. For example, there are no daily price limits on the LBMA which would otherwise restrict fluctuations in the prices of LBMA contracts. In a declining market, it is possible that prices would continue to decline without limitation within a trading day or over a period of trading days.

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Historical prices of the Component Commodities should not be taken as an indication of the future prices of the Component Commodities during the term of the notes

The closing prices of the Component Commodities will be influenced by complex and interrelated political, economic, financial and other factors that can affect the markets in which those commodities are traded and the values of those commodities themselves. As a result, it is impossible to predict whether the closing prices of the Component Commodities will rise or fall.

Risks associated with the Component Commodities may adversely affect the market price of the notes

Because the annual interest rate on the notes is linked to the closing price of the Component Commodities on each interest valuation date which, in part, reflects the return on futures contracts and settlement prices on seven different exchange-traded physical commodities, the notes will be less diversified than other funds or investment portfolios investing in a broader range of products and, therefore, could experience greater volatility. An investment in the notes may therefore carry risks similar to a concentrated securities investment in a limited number of industries or sectors.

Wachovia and its affiliates have no affiliation with the NYMEX, the LME or the LBMA and are not responsible for their public disclosure of information

Wachovia and its affiliates are not affiliated with the NYMEX, the LME or the LBMA in any way and have no ability to control or predict any of their actions, including any errors in or discontinuation of disclosure regarding any of their methods or policies relating to the determination of the closing prices of the Component Commodities. The NYMEX, the LME or the LBMA are not under any obligation to continue to determine the closing prices for the Component Commodities. If the NYMEX, the LME or the LBMA discontinue, or materially change the method of determining the closing prices for the Component Commodities, it may become difficult to determine the market value of the notes or the maturity payment amount. Under these circumstances, the calculation agent in its sole discretion may designate a successor provider of closing prices. If the calculation agent determines in its sole discretion that no comparable provider of closing prices exists, the maturity payment amount will be determined by the calculation agent in its sole discretion. See Specific Terms of the Notes Market Disruption Event and Specific Terms of the Notes Adjustments to the Component Commodities Prices beginning on page S-17.

We have derived the information about the Component Commodities and the NYMEX, the LME and the LBMA in this prospectus supplement from publicly available information, without independent verification. Neither we nor any of our affiliates assumes any responsibility for the adequacy or accuracy of the information about the Component Commodities or the NYMEX, the LME or the LBMA contained in this prospectus supplement. You, as an investor in the notes, should make your own investigation into the Component Commodities, the NYMEX, the LME and the LBMA. In addition, each prospective investor should consult its legal advisors in determining the appropriate treatment of the notes under any applicable capital or similar rules, and under applicable tax and accounting requirements. Furthermore, prospective investors whose investment activities are subject to investment laws and regulations or to review by certain authorities may be subject to restrictions on investment in certain types of securities, which may include the notes. Prospective investors should review and consider such restrictions prior to investing in the notes.

The calculation agent may modify the Component Commodities and the determination of the prices of the Component Commodities

The Component Commodities upon which the annual interest rate of the notes depends and the method of calculating the closing prices of the Component Commodities may be adjusted by the calculation agent from time to time upon the occurrence of certain extraordinary events. For example, if the method used for determining the closing price of a Component Commodity is changed in a material respect by the commodity exchange upon which futures or forwards contracts with respect to that Component Commodity trades, or if a closing price is not available for a Component Commodity for any reason, then the calculation agent may take such action, including adjusting the composition of the Component Commodities or to the method of calculating the closing price of a Component Commodity, as it deems appropriate. See Specific Terms of the Notes Adjustments to the Component Commodities on page S-17. Such changes could adversely affect the annual interest rate on the notes and, consequently, the value of the notes.

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The calculation agent may postpone the determination of the annual interest rate on each interest valuation date and therefore, the maturity date, if a market disruption event occurs on the final interest valuation date

Each interest valuation date and, therefore, the determination of the annual interest rate may be postponed if the calculation agent determines that a market disruption event has occurred or is continuing on the applicable interest valuation date with respect to one or more of the Component Commodities. If a postponement occurs, the calculation agent will use the closing price of the affected Component Commodity on the next succeeding trading day on which no market disruption event occurs or is continuing for calculation of the applicable closing price. As a result, the maturity date for the notes may be postponed if the final interest valuation date is postponed, but in no event will the maturity date be postponed by more than ten trading days. You will not be entitled to compensation from us or the calculation agent for any loss suffered as a