WACHOVIA CORP NEW
Form 424B5
July 05, 2006
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The information in this preliminary prospectus supplement is not complete and may be changed.

SUBJECT TO COMPLETION, DATED JULY 3, 2006

(To prospectus dated May 13, 2005)

PROSPECTUS SUPPLEMENT

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Wachovia Corporation

Principal Protected Notes

Linked to the Performance

of the U.S. Dollar Index®

due , 2008

Offering 100% Principal Protection

Issuer:	Wachovia Corporation
Principal Amount:	Each note will have a principal amount of $10. Each note will be offered at an initial public offering price of $10.
Maturity Date:	, 2008, the date that is two years after the settlement date.
Interest:	Wachovia will not pay you interest during the term of the notes.
Market Measure:	The return on the notes, in excess of the principal amount of the notes, if any, is linked to the performance of the New York Board of Trade® s U.S. Dollar Index®. U.S. Dollar Index® is a trademark and service mark of

	the New York Board of Trade®, used under license. The notes are not issued, sponsored, endorsed, sold or promoted by the New York Board of Trade® and the New York Board of Trade® makes no representation regarding the advisability of investing in the notes.
Maturity Payment Amount:	At maturity, for each note you own, you will receive a cash payment equal to the sum of the principal amount of the note and the Index performance amount. The Index performance amount will equal the greater of (i) $0, and (ii) the product of the principal amount of the note, the percentage change in the level of the Index over the term of the notes and a participation rate of % , which will be determined on the pricing date. The maturity payment amount is linked to the inverse performance of the Index and, therefore, if the level of the Index depreciates over the term of the notes (i.e. the final Index level is less than the initial Index level), the Index performance amount will be greater than $0 and the maturity payment amount will be greater than the principal amount of the notes, as further described in this prospectus supplement. *If the final Index level is equal to or greater than the initial Index level, the Index performance amount will be $0 and the maturity payment amount will be $10.*
Listing:	The notes will not be listed or displayed on any securities exchange, the Nasdaq National Market or any electronic communications network.
Expected Pricing Date:	, 2006
Expected Settlement Date:	, 2006
CUSIP number:	

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-11.

Investing in the notes involves risks. See Risk Factors beginning on page S-6.

	Per Note	Total
Public Offering Price		
Underwriting Discount and Commission		
Proceeds to Wachovia Corporation		

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 , 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 of 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 Principal Protected Notes Linked to the Performance of the U.S. Dollar Index® due , 2008 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 U.S. Dollar Index®, which we refer to as the Index , 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, each of which is a 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 , 2008, the date that is two years after the settlement date. The maturity payment amount of the notes, in excess of the principal amount of the notes, if any, will be linked to the performance of the Index. The notes will bear no interest and no other payments will be made until maturity.

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-11.

Each note will have a principal amount of $10. Each note will be offered at an initial public offering price equal to $10. 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. ***If the final Index level is equal to or greater than the initial Index level, the Index performance amount will be $0 and the maturity payment amount will be $10.***

What will I receive upon maturity of the notes?

At maturity, for each note you own, you will receive a cash payment equal to the sum of the principal amount of the note and the Index performance amount. The Index performance amount will equal the greater of (i) $0, and (ii) the product of the principal amount of the note, the percentage change in the level of the Index over the term of the notes and a participation rate of %. The maturity payment amount is linked to the inverse performance of the Index and, therefore, if the level of the Index depreciates over the term of the notes (*i.e.* the final Index level is less than the initial Index level), the Index performance amount will be greater than $0 and the maturity payment amount will be greater than the principal amount of the notes. A decline in the level of the Index represents a decline in the value of the U.S.

dollar, and an increase in the level of the Index represents an increase in the value of the U.S. dollar. *If the final Index level is equal to or greater than the initial Index level, the Index performance amount will be $0 and the maturity payment amount will be $10.*

Determination of the Index performance amount

The Index performance amount per note will be determined by the calculation agent and will equal the greater of:

(i) $0, and

(ii)

$$\$10 \text{ x } \left(\frac{\text{initial Index level} \quad \text{final Index level}}{\text{initial Index level}} \right) \text{ x participation rate.}$$

The initial Index level will be , the closing level of the Index on the pricing date.

The final Index level will be determined by the calculation agent and will equal the closing level of the Index on the valuation date.

The participation rate will be determined on the pricing date and will equal %.

The valuation date means the fifth trading day prior to the maturity date. However, if that day occurs on a day that is a disrupted day, then the valuation date will be postponed until the next succeeding trading day that is not a disrupted day; provided that in no event will the valuation date be postponed by more than ten trading days. If the valuation date is postponed to the last possible day but that day is a disrupted day, that date will nevertheless be the valuation date. *If the valuation date is postponed, then the maturity date of the notes will be postponed by an equal number of trading days.*

The closing level of the Index will equal, (i) on any trading day except the valuation date, the closing level of the Index calculated by Reuters Group PLC (Reuters) as of 3:00 p.m. New York City time on that trading day, or any successor index (as defined under Specific Terms of the Notes Discontinuation of the Index; Adjustments to the Index on page S-12), and (ii) on the valuation date, the value calculated by the calculation agent using the same methodology that Reuters uses to calculate the Index and based on the Index currency exchange rates published by the Federal Reserve Bank of New York at 10:00 a.m. New York City time on that date. In certain circumstances, the closing level will be based on the alternate calculation of the Index described under Specific Terms of the Notes Discontinuation of the Index; Adjustments to the Index on page S-12.

A trading day means a day on which trading is generally conducted in foreign exchange and foreign currency deposits and on the New York Board of Trade®.

A disrupted day means any trading day on which the New York Board of Trade® fails to open for trading during its regular trading session or on which a market disruption event has occurred with respect to the Index.

The maturity payment amount is linked to the inverse performance of the Index and, therefore, if the level of the Index depreciates over the term of the notes (i.e. the final Index level is less than the initial Index level), the Index performance amount will be greater than $0 and the maturity payment amount will be greater than the principal amount of the notes. A decline in the level of the Index represents a decline in the value of the U.S. dollar, and an increase in the level of the Index represents an increase in the value of the U.S. dollar. *If the final Index level is equal to or greater than the initial Index level, the Index performance amount will be $0 and the maturity payment amount will be $10.*

Hypothetical Examples

Set forth below are three hypothetical examples of the calculation of the maturity payment amount. For purposes of these examples, we have assumed the following:

Hypothetical initial Index level: 84.72

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Hypothetical participation rate: 100%

Example 1

The hypothetical final Index level is 50% of the hypothetical initial Index level:

Hypothetical final Index level: 42.36

Index performance amount (per note) is the greater of:

(i) $0, and

(ii)

$$\$10 \times \left(\frac{84.72 - 42.36}{84.72} \right) \times 100\% = \$5.00$$

Maturity payment amount (per note) = $10.00 + $5.00 = $15.00

Since the hypothetical final Index level is *less* than the hypothetical initial Index level, the Index performance amount would be $5.00 and the maturity payment amount would be greater than the principal amount of your note. In the above example, the maturity payment amount would be 50% greater than the principal amount of each note, which is equal to the decrease in the level of the Index at maturity of the notes as measured by the final Index level relative to the initial Index level.

Example 2

The hypothetical final Index level is 105% of the hypothetical initial Index level:

Hypothetical final Index level: 88.96

Index performance amount (per note) is the greater of:

(i) $0, and

(ii)

$$\$10 \times \left(\frac{84.72 - 88.96}{84.72} \right) \times 100\% = -\$0.50$$

Maturity payment amount (per note) = $10.00 + $0 = $10.00

Since the hypothetical final Index level is *greater* than the hypothetical initial Index level, the Index performance amount would be $0 and the maturity payment amount would be the principal amount of your note.

Example 3

The hypothetical final Index level is 150% of the hypothetical initial Index level:

Hypothetical final Index level: 127.08

Index performance amount (per note) is the greater of:

(i) $0, and

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(ii)

$$\$10 \times \left(\frac{84.72 - 127.08}{84.72} \right) \times 100\% = -\$5.00$$

Maturity payment amount (per note) = $10.00 + $0 = $10.00

Since the hypothetical final Index level is *greater* than the hypothetical initial Index level, the Index performance amount would be $0 and the maturity payment amount would be the principal amount of your note.

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

We have designed the notes for investors who believe that the U.S. dollar, as represented by the Index, will depreciate over the term of the notes, who are willing to hold the notes to maturity 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 believe that the U.S. dollar, as represented by the Index, will appreciate over the term of the notes, who are unable or unwilling to hold the notes to maturity or who are willing to make an investment with higher potential returns that is exposed to the full upside performance risk of the Index.

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

The market value of the notes may fluctuate during the term of the notes. Several factors and their interrelationship will influence the market value of the notes, including the level of the Index, exchange rates of the Index currencies (as defined below), the time remaining to the maturity date, interest rates and the volatility of the Index. The notes are fully 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 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 .

Who publishes the Index and what does the Index measure?

The U.S. Dollar Index® is published by the New York Board of Trade® (the Index Sponsor or NYBOT) and was first published in 1985. The Index indicates the value of the U.S. dollar relative to six major world currencies, currently the Euro, the Japanese yen, the British pound, the Canadian dollar, the Swedish krona and the Swiss franc (each, an Index currency and collectively, the Index currencies). The Index measures changes in the Index currencies exchange rates against the U.S. dollar relative to a base period of March 1973 and a base value of 100.00.

The Index is determined and weighted and caused to be calculated and maintained by the Index Sponsor without regard to the notes.

U.S. Dollar Index® and USDX® are trademarks and service marks of the New York Board of Trade®, used under license. The notes are not issued, sponsored, endorsed, sold or promoted by the NYBOT and the NYBOT makes no representation regarding the advisability of investing in the notes.

You should be aware that an investment in the notes does not entitle you to any ownership interest in the Index currencies. For a detailed discussion of the Index, see The U.S. Dollar Index® beginning on page S-15.

How has the Index performed historically?

You can find a table with the high, low and quarter-end closing levels of the Index during each calendar quarter from calendar year 2003 to the present in the section entitled The U.S. Dollar Index® Historical Levels of the Index in this prospectus supplement. We obtained the historical information from Bloomberg Financial Markets without

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independent verification. You should not take past performance of the Index as an indication of how the Index will perform in the future.

What about taxes?

The notes will be treated as debt instruments subject to special rules governing contingent payment obligations for United States federal income tax purposes. If you are a U.S. individual or taxable entity, you generally will be required to pay taxes on ordinary income from the notes over their term based on the comparable yield for the notes, even though you will not receive any payments from us until maturity. This comparable yield is determined solely to calculate the amount on which you will be taxed prior to maturity and is neither a prediction nor a guarantee of what the actual yield will be. In addition, any gain you may recognize on the sale or maturity of the notes will be taxed as ordinary interest income. If you are a secondary purchaser of the notes, the tax consequences to you may be different.

For further discussion, see Supplemental Tax Considerations beginning on page S-19.

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.

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-6.

How to reach us

You may reach us by contacting your financial advisor or by calling 1-704-715-8400 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 Index currencies. 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 fully protected only if you hold your notes to maturity

You will receive at least 100% of the principal amount of your notes if you hold your notes to maturity. If you sell your notes in the secondary market prior to maturity, you will not receive principal protection on the notes you sell. You should be willing to hold your notes to maturity.

You will not receive interest payments on the notes

You will not receive any periodic interest payments on the notes and, at maturity, if the level of the Index has increased relative to the initial Index level, you will not receive any return in excess of the principal amount of your notes.

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. Even if your yield is positive, your yield may be less than the yield you would earn if you bought a standard senior non-callable debt security of Wachovia with the same maturity date. Your investment may not reflect the full opportunity cost to you when you take into account factors that affect the time value of money.

If the final Index level is equal to or greater than the initial Index level, the maturity payment amount with respect to your notes will be limited to the principal amount of the notes. This will be true even if the closing level of the Index on some date or dates prior to the valuation date may have been less than the initial Index level, because the maturity payment amount will be calculated only on the basis of the closing level of the Index (or otherwise determined by the calculation agent, in the case of a market disruption event) on the valuation date. You should therefore be prepared to realize no return over an amount equal to the principal amount of your notes at maturity.

An investment in the notes is not the same as an investment in the currencies underlying the Index

The return on your notes will not reflect the return you would realize if you actually purchased any or all of the Index currencies and converted them into U.S. dollars on the valuation date. The exchange rates of the Index currencies are calculated by reference to each Index currency relative to the U.S. dollar without taking into consideration the value of each Index currency relative to other currencies or in other markets.

There may not be an active trading market for the notes

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 level of the Index. Even if a secondary market for the notes develops, it may not provide significant liquidity and transaction costs in any secondary market could 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 initial 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 in the notes. The supply and demand for the notes, including inventory positions of market makers, may affect the secondary market for the notes.

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Even though the Index currencies and U.S. dollar are traded around-the-clock, if a secondary market develops, the notes may trade only during regular trading hours in the United States

The interbank market for the Index currencies and the U.S. dollar is a global, around-the-clock market. Therefore, the hours of trading for the notes may not conform to the hours during which the Index currencies and the U.S. dollar are traded. To the extent that U.S. markets are closed while the markets for any of the Index currencies remain open, significant price and rate movements may take place in the underlying foreign exchange markets that will not be reflected immediately in the price of the notes.

There is no systematic reporting of last-sale information for foreign currencies. Reasonable current bid and offer information is available in certain brokers offices, in bank foreign currency trading offices, and to others who wish to subscribe for this information, but this information will not necessarily reflect the Index currency exchange rates relevant for determining the value of the notes. The absence of last-sale information and the limited availability of quotations to individual investors make it difficult for many investors to obtain timely, accurate data about the state of the underlying foreign exchange markets.

The notes are subject to currency risk

Fluctuations in the exchange rates between the U.S. dollar and the Index currencies will affect the value of the notes more than any other factor. The exchange rates between the Index currencies and the U.S. dollar reflected in the Index are the result of the supply of, and the demand for, these Index currencies. Changes in the exchange rates result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in the country of each Index currency and the United States, including economic and political developments in other countries. Of particular importance to potential currency exchange risk are:

- existing and expected rates of inflation;
- existing and expected interest rate levels;
- the balance of payments; and
- the extent of governmental surpluses or deficits in the relevant foreign country and the United States of America.

All of these factors are in turn sensitive to the monetary, fiscal and trade policies pursued by the governments of various countries and the United States and other countries important to the international trade and finance.

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 compound the decrease in the market value of the notes caused by another factor. For example, a change in the volatility of the Index may offset some or all of any increase in the market value of the notes attributable to another factor, such as an increase in the level of the Index. In addition, a change in interest rates may offset other factors that would otherwise change the level of the Index and, therefore, may change the market value of the notes. We expect that the market value of the notes will depend substantially on the amount, if any, by which the initial Index level exceeds or does not exceed the final Index level. If you choose to sell your notes when the level of the Index exceeds the initial Index level, you may receive substantially less than the amount that would be payable at maturity based on this level because of the expectation that the level of the Index will continue to fluctuate until the final Index level is determined. We believe that other factors that may influence the value of the notes include:

- the volatility (the frequency and magnitude of changes in level) of the Index and in particular market expectations regarding the volatility of the Index;

interest rates in the United States and in the markets for each of the Index currencies;

- the exchange rate and the volatility of the exchange rate between each of the Index currencies and the U.S. dollar;
- our creditworthiness, as represented by our credit ratings or as otherwise perceived in the market;
- changes that affect the Index, such as additions, deletions or substitutions;
- the time remaining to maturity; and
- geopolitical, economic, financial, political, regulatory or judicial events as well as other conditions that may affect the Index currencies or economic markets generally and the final Index level.

The liquidity, market value and maturity payment amount of the notes could be affected by the actions of the governments of the issuing countries of the Index currencies

Foreign exchange rates can either be fixed by sovereign governments or floating. Exchange rates of most economically-developed nations, including those issuing the Index currencies, are permitted to fluctuate in value relative to the U.S. dollar. However, governments do not always allow their currencies to float freely in response to economic forces. Governments, including those issuing the Index currencies, use a variety of techniques, such as intervention by their central banks or imposition of regulatory controls or taxes, to affect the trading value of their respective currencies. They may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk in purchasing the notes is that their liquidity, market value and amounts payable could be affected by the actions of sovereign governments that could change or interfere with currency valuations freely determined until that time, fluctuations in response to other market forces and the movement of currencies across borders. There will be no adjustment or change in the terms of the notes if exchange rates become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of the issuance of a replacement currency or in the event of other developments affecting the Index currencies, the U.S. dollar or any other currency.

The Index Sponsor may adjust the Index in a way that affects the level of the Index or may suspend or discontinue the publication of the Index, and the Index Sponsor has no obligation to consider your interests as a holder of the notes

The Index Sponsor is responsible for determining and weighting the Index and causing the Index to be calculated and maintained. The Index Sponsor can add, delete or substitute the Index currencies or make other methodological changes that could change the level of the Index. You should realize that the changing of any Index currency may affect the Index, as the value of the U.S. dollar against a newly-added currency may differ significantly from the value of the U.S. dollar against the currency or currencies it replaces. Additionally, the Index Sponsor may alter, discontinue or suspend calculation or dissemination of the Index. Any of these actions could adversely affect the value of the notes.

If the Index Sponsor discontinues or suspends the calculation of the Index, it may become difficult to determine the market value of the notes or the maturity payment amount. The calculation agent may designate a successor index selected in its sole discretion. If the calculation agent determines in its sole discretion that no successor index comparable to the Index exists, the maturity payment amount to which you are entitled will be determined by the calculation agent in its sole discretion. See Specific Terms of the Notes Market Disruption Event on page S-13 and Specific Terms of the Notes Discontinuation of the Index; Adjustments to the Index on page S-12.

The Index Sponsor is not involved in the offer of the notes in any way and has no obligation to consider your interest as an owner of notes in taking any actions that might affect the value of your notes.

Wachovia and its affiliates have no affiliation with the Index Sponsor and are not responsible for its public disclosure of information

Wachovia and its affiliates are not affiliated with the Index Sponsor in any way (except for licensing arrangements discussed below under U.S. Dollar Index®) and have no ability to control or predict any of its actions, including any errors in or discontinuation of disclosure regarding any of their methods or policies relating to the calculation of the level of the Index.

We have derived the information about the Index Sponsor and the Index 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 Index Sponsor or the Index contained in this prospectus supplement. You, as an investor in the notes, should make your own investigation into the Index Sponsor and the Index.

Wachovia does not make any representation to any purchasers of the notes regarding any matters whatsoever relating to the Index currencies. Any prospective purchaser of the notes should independently investigate the Index currencies sufficiently as in its judgment is appropriate to make an informed decision regarding an investment in the notes. The composition and weighting of the Index currencies does not reflect any investment or sell recommendations of Wachovia or its affiliates.

Historical levels of the Index should not be taken as an indication of future levels of the Index during the term of the notes

The trading prices of the Index currencies relative to the U.S. dollar will determine the level of the Index at any given time. The Index currencies have performed differently in the past and are expected to perform differently in the future. As a result, it is impossible to predict whether the level of the Index will rise or fall. Trading prices of the Index currencies will be influenced by complex and interrelated political, economic, financial and other factors that can affect the Index currencies.

Wachovia has published research that may be inconsistent with an investment in the notes

We or one or more of our affiliates have published and may in the future publish research on foreign exchange markets, exchange rates and other matters that may have an influence on currency exchange rates. This research may be modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the notes.

Purchases and sales by us and our affiliates may affect the return on the notes

As described below under Use of Proceeds and Hedging on page S-22, we or one or more of our affiliates may hedge our obligations under the notes by purchasing Index currencies, futures or options on the Index or Index currencies, or exchange-traded funds or other derivative instruments with returns linked or related to changes in the Index currency exchange rates or the level of the Index, and we may adjust these hedges by, among other things, purchasing or selling Index currencies, futures, options, or exchange-traded funds or other derivative instruments with returns linked to the Index or the Index currencies at any time. Although they are not expected to, any of these hedging activities may adversely affect the Index currency exchange rates and/or the levels of the Index and, therefore, the market value of the notes. It is possible that we or one or more of our affiliates could receive substantial returns from these hedging activities while the market value of the notes declines.

The inclusion of commissions and projected profits from hedging in the initial public offering price is likely to adversely affect secondary market prices

Assuming no change in market conditions or any other relevant factors, the price, if any, at which Wachovia is willing to purchase the notes in secondary market transactions will likely be lower than the initial public offering price, since the initial public offering price included, and secondary market prices are likely to exclude, commissions paid with respect to the notes, as well as the projected profit included in the cost of hedging our obligations under the notes. In addition, any such prices may differ from values determined by pricing models used by Wachovia, as a result of dealer discounts, mark-ups or other transactions.

Additional potential conflicts of interest could arise

Our subsidiary, WBNA, is our agent for the purposes of calculating the closing level of the Index on the valuation date, the final Index level and the maturity payment amount. Under certain circumstances, WBNA s role as our subsidiary and its responsibilities as calculation agent for the notes could give rise to conflicts of interest. These conflicts could occur, for instance, in connection with its determination as to whether the closing level of the Index can be calculated on a particular trading day, or in connection with judgments that it would be required to make in the event of a discontinuance of the Index. See the sections entitled Specific Terms of the Notes Discontinuation of the Index; Adjustments to the Index on page S-12, Specific Terms of the Notes Market Disruption Event on page S-13. WBNA is required to carry out its duties as calculation agent in good faith and using its reasonable judgment.

The calculation agent may postpone the determination of the final Index level and the maturity date if a market disruption event occurs on the valuation date

The valuation date and, therefore, the determination of the final Index level may be postponed if the calculation agent determines that a market disruption event has occurred or is continuing on the valuation date with respect to the Index. If a postponement occurs, the calculation agent will use the closing level of the Index on the next succeeding trading day on which no market disruption event occurs or is continuing as the final Index level. As a result, the maturity date for the notes would be postponed. You will not be entitled to compensation from us or the calculation agent for any loss suffered as a result of the occurrence of a market disruption event, any resulting delay in payment or any change in the level of the Index after the valuation date. See Specific Terms of the Notes Market Disruption Event beginning on page S-13.

U.S. taxpayers will be required to pay taxes on the notes each year

The notes will be treated as debt instruments subject to special rules governing contingent payment obligations for United States federal income tax purposes. If you are a U.S. person, you generally will be required to pay taxes on ordinary income from the notes over their term based upon the comparable yield for the notes, even though you will not receive any payments from us until maturity. The comparable yield is determined solely to calculate the amounts you will be taxed on prior to maturity and is neither a prediction nor a guarantee of what the actual yield will be. In addition, any gain you may recognize upon the sale or maturity of the notes will be taxed as ordinary income. Any loss you may recognize upon the sale of the notes will be ordinary loss to the extent of interest you included as income in the current or previous taxable years in respect of the notes, and thereafter, capital loss. If you hold your notes until maturity and the maturity payment is less than the projected payment at maturity, the difference will first reduce interest that would otherwise accrue in respect of the notes in such taxable year, and any remainder will be ordinary loss to the extent you previously accrued interest income in respect of the notes and thereafter will be capital loss. If you are a secondary purchaser of the notes, the tax consequences to you may be different. You should consult your tax advisor about your own tax situation.

For further information, see Supplemental Tax Considerations on page S-19.

Certain considerations for insurance companies and employee benefit plans

A fiduciary of a pension plan or other employee benefit plan that is subject to the prohibited transaction rules of the Employee Retirement Income Security Act of 1974, as amended, which we call ERISA , or the Internal Revenue Code of 1986, as amended, and that is considering purchasing the notes with the assets of a plan, should consult with its counsel regarding whether the purchase or holding of the notes could become a prohibited transaction under ERISA, the Internal Revenue Code or any substantially similar prohibition. These prohibitions are discussed in further detail under Employee Retirement Income Security Act on page S-21.

SPECIFIC TERMS OF THE NOTES

Please note that in this section entitled Specific Terms of the Notes , references to holders mean those who own notes registered in their own names, on the books that we or the trustee maintain for this purpose, and not indirect holders who own beneficial interests in notes registered in street name or in notes issued in book-entry form through The Depository Trust Company. Please review the special considerations that apply to indirect holders in the accompanying prospectus, under Legal Ownership .

The notes are part of a series of debt securities, entitled Medium-Term Notes, Series G , that we may issue under the indenture from time to time as described in the accompanying prospectus. The notes are also Indexed Notes and Senior Notes , each as described in the accompanying prospectus.

This prospectus supplement summarizes specific financial and other terms that apply to the notes. Terms that apply generally to all Medium-Term Notes, Series G, are described in Description of the Notes We May Offer in the accompanying prospectus. The terms described here supplement those described in the accompanying prospectus and, if the terms described there are inconsistent with those described here, the terms described here are controlling.

We describe the terms of the notes in more detail below.

No Interest

While at maturity a beneficial owner of a note will receive a cash payment equal to the maturity payment amount, there will be no other payment of interest, periodic or otherwise.

Denominations

Wachovia will issue the notes in principal amount of $10 per note and integral multiples thereof.

Offering Price

Each note will be offered at an initial public offering price equal to $10.

Maturity Payment Amount

At maturity, for each note you own, you will receive a cash payment equal to the sum of the principal amount of the note and the Index performance amount. The Index performance amount will equal the greater of (i) $0, and (ii) the product of the principal amount of the note, the percentage change in the level of the Index over the term of the notes and a participation rate of %. The maturity payment amount is linked to the inverse performance of the Index and, therefore, if the level of the Index depreciates over the term of the notes (*i.e.* the final Index level is less than the initial Index level), the Index performance amount will be greater than $0 and the maturity payment amount will be greater than the principal amount of the notes. A decline in the level of the Index represents a decline in the value of the U.S. dollar, and an increase in the level of the Index represents an increase in the value of the U.S. dollar. *If the final Index level is equal to or greater than the initial Index level, the Index performance amount will be $0 and the maturity payment amount will be $10.*

Determination of the Index performance amount

The Index performance amount per note will be determined by the calculation agent and will equal the greater of:

(i) $0, and

(ii) $\$10 \times \left(\frac{\text{initial Index level} \quad \text{final Index level}}{\text{initial Index level}} \right) \times \text{participation rate}$.

The initial Index level will be , the closing level of the Index on the pricing date.

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The final Index level will be determined by the calculation agent and will equal the closing level of the Index on the valuation date.

The participation rate will be determined on the pricing date and will equal %.

The valuation date means the fifth trading day prior to the maturity date. However, if that day occurs on a day that is a disrupted day, then the valuation date will be postponed until the next succeeding trading day that is not a disrupted day; provided that in no event will the valuation date be postponed by more than ten trading days. If the valuation date is postponed to the last possible day but that day is a disrupted day, that date will nevertheless be the valuation date. *If the valuation date is postponed, then the maturity date of the notes will be postponed by an equal number of trading days.*

The closing level of the Index will equal, (i) on any trading day except the valuation date, the closing level of the Index calculated by Reuters Group PLC (Reuters) as of 3:00 p.m. New York City time on that trading day, or any successor index (as defined under Discontinuation of the Index; Adjustments to the Index on page S-12), and (ii) on the valuation date, the value calculated by the calculation agent using the same methodology that Reuters uses to calculate the Index and based on the Index currency exchange rates published by the Federal Reserve Bank of New York at 10:00 a.m. New York City time on that date. In certain circumstances, the closing level will be based on the alternate calculation of the Index described under Discontinuation of the Index; Adjustments to the Index on page S-12.

A trading day means a day on which trading is generally conducted in foreign exchange and foreign currency deposits and on the New York Board of Trade®.

A disrupted day means any trading day on which the New York Board of Trade® fails to open for trading during its regular trading session or on which a market disruption event has occurred with respect to the Index.

The maturity payment amount is linked to the inverse performance of the Index and, therefore, if the level of the Index depreciates over the term of the notes (i.e. the final Index level is less than the initial Index level), the Index performance amount will be greater than $0 and the maturity payment amount will be greater than the principal amount of the notes. A decline in the level of the Index represents a decline in the value of the U.S. dollar, and an increase in the level of the Index represents an increase in the value of the U.S. dollar. *If the final Index level is equal to or greater than the initial Index level, the Index performance amount will be $0 and the maturity payment amount will be $10.*

If any payment is due on the notes on a day which is not a day on which commercial banks settle payments in the City of New York, then that payment may be made on the next succeeding day that is a day on which commercial banks settle payments in the City of New York, in the same amount and with the same effect as if paid on the original due date.

WBNA, our subsidiary, will serve as the calculation agent. All determinations made by the calculation agent shall be at the sole discretion of the calculation agent and, absent a determination of a manifest error, shall be conclusive for all purposes and binding on Wachovia and the holders and beneficial owners of the notes. Wachovia may at any time change the calculation agent without notice to holders of notes.

U.S. Bank National Association will serve as the U.S. registrar and domestic paying agent.

Discontinuation of the Index; Adjustments to the Index

If the Index Sponsor discontinues publication of the Index and the Index Sponsor or another entity publishes a successor or substitute index that the calculation agent determines, in its sole discretion, to be comparable to the Index (a successor index), then, upon the calculation agent s notification of any determination to the trustee and Wachovia, the calculation agent will substitute the successor index as calculated by the Index Sponsor or any other entity for the Index and calculate the maturity payment amount as described above under Maturity Payment Amount . Upon any selection by the calculation agent of a successor index, Wachovia shall cause notice to be given to holders of the notes.

In the event that the Index Sponsor discontinues publication of the Index and:

- the calculation agent does not select a successor index, or

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the successor index is no longer published on any of the relevant trading days,

the calculation agent will compute a substitute level for the Index in accordance with the procedures last used to calculate the level of the Index before any discontinuation but using only those Index currencies that comprised the Index prior to the discontinuation. If a successor index is selected or the calculation agent calculates a level as a substitute for the Index as described below, the successor index or level will be used as a substitute for the Index for all purposes going forward, including for purposes of determining whether a market disruption event exists, even if the Index Sponsor elects to begin republishing the Index, unless the calculation agent in its sole discretion decides to use the republished Index.

If the Index Sponsor discontinues publication of the Index and the calculation agent determines that no successor index is available at that time, then on each trading day until the earlier to occur of:

the determination of the maturity payment amount, or

a determination by the calculation agent that a successor index is available,

the calculation agent will determine the level that would be used in computing the maturity payment amount as described in the preceding paragraph as if that day were a trading day. The calculation agent will cause notice of each level to be published not less often than once each month in *The Wall Street Journal* or another newspaper of general circulation, and arrange for information with respect to these levels to be made available by telephone.

Notwithstanding these alternative arrangements, discontinuation of the publication of the Index would be expected to adversely affect the market value of, liquidity of and trading in the notes.

If at any time the method of calculating the level of the Index or the level of any successor index changes in any material respect, or if the Index or successor index is in any other way modified so that the Index or successor index does not, in the opinion of the calculation agent, fairly represent the level of the Index had those changes or modifications not been made, then, from and after that time, the calculation agent shall, at the close of business in the City of New York, New York, on each date that the closing level of the Index is to be calculated, make any adjustments as, in the good faith judgment of the calculation agent, may be necessary in order to arrive at a calculation of a level of a U.S. dollar index comparable to the Index or the successor index, as the case may be, as if those changes or modifications had not been made, and calculate the closing level with reference to the Index or the successor index, as so adjusted. Accordingly, if the method of calculating the Index or a successor index is modified and has a diluting or concentrative effect on the level of the Index or successor index, e.g., due to a currency redenomination, then the calculation agent shall adjust the Index or successor index in order to arrive at a level of the Index or successor index as if it had not been modified, e.g., as if a currency redenomination had not occurred.

Neither the calculation agent nor Wachovia will have any responsibility for good faith errors or omissions in calculating or disseminating information regarding any Index or any successor index or as to modifications, adjustments or calculations by the Index Sponsor or any successor index sponsor in order to arrive at the level of the Index or any successor index.

Market Disruption Event

A market disruption event with respect to the Index, as determined by the calculation agent in its sole discretion, means the NYBOT or any related exchange fails to open for trading during its regular trading session or the occurrence or existence of any of the following events:

a trading disruption, if the calculation agent determines it is material, at any time during the one-hour period that ends at the close of trading for the NYBOT or a related exchange; or

an exchange disruption, if the calculation agent determines it is material, at any time during the one-hour period that ends at the close of trading for the NYBOT or a related exchange; or an early closure.

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The following events will not be market disruption events:

- a limitation on the hours or number of days of trading, but only if the limitation results from an announced change in the regular business hours of the relevant market; or

- a decision to permanently discontinue trading in the option or futures contracts relating to the Index.

A trading disruption means any suspension of or limitation imposed on trading by the NYBOT or a related exchange or otherwise, whether by reason of movements in price exceeding limits permitted by the NYBOT or a related exchange or otherwise, in options contracts or futures contracts relating to the Index on the NYBOT or any related exchange.

An exchange disruption means any event (other than a scheduled early closure) that disrupts or impairs (as determined by the calculation agent in its sole discretion) the ability of market participants in general to effect transactions in options contracts or futures contracts relating to the Index on the NYBOT or any related exchange.

An early closure means the closure on any trading day of the NYBOT or any related exchange prior to its normally scheduled closing time unless the earlier closing time is announced by the NYBOT or the related exchange at least one-hour prior to the earlier of (i) the actual closing time for the regular trading session on the NYBOT or the related exchange on that trading day, or (ii) the submission deadline for orders to be entered into the NYBOT or related exchange system for execution at the close of trading on that trading day.

A related exchange means each exchange or quotation system on which futures or options contracts relating to the Index are traded, any successor to the exchange or quotation system or any substitute exchange or quotation system to which trading in the futures or options contracts relating to the Index has temporarily relocated (provided that the calculation agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Index on the temporary substitute exchange or quotation system as on the original related exchange).

Events of Default and Acceleration