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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported) February 15, 2011

DYNEX CAPITAL, INC.

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
of incorporation)

1-9819
(Commission
File Number)

52-1549373
(IRS Employer
Identification No.)

4991 Lake Brook Drive, Suite 100
Glen Allen, Virginia
(Address of principal executive offices)

23060
(Zip Code)

Registrant's telephone number, including area code
(804) 217-5800

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

Dynex Capital, Inc.'s (the "Company's") Chief Investment Officer, Byron L. Boston, will be participating in a panel discussion and conducting meetings with investors and analysts at the Sterne Agee 2011 Financial Institutions Investor Conference taking place in Orlando, Florida on February 16-18, 2011. In this connection, Mr. Boston will be providing an overview of the Company, including its recent financial performance, utilizing the presentation attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Dynex Capital, Inc. Fourth Quarter 2010 Investor Presentation, dated February 15, 2011

SIGNATURES

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

DYNEX CAPITAL, INC.

Date: February 15, 2011

By: /s/ Stephen J. Benedetti
Stephen J. Benedetti
Executive Vice President, Chief Operating
Officer and Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit</u>
99.1	Dynex Capital, Inc. Fourth Quarter 2010 Investor Presentation, dated February 15, 2011

FOCUSED ON THE LONG TERM



**Dynex Capital, Inc.
Fourth Quarter 2010
Investor Presentation
February 15, 2011**



Safe Harbor Statement



Note: This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about projected financial performance and future investment opportunities. The words “will,” “believe,” “expect,” “forecast,” “anticipate,” “intend,” “estimate,” “assume,” “project,” “plan,” “continue,” and similar expressions also identify forward-looking statements that are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Although these forward-looking statements reflect our current beliefs, assumptions and expectations based on information currently available to us, the Company’s actual results and timing of certain events could differ materially from those projected in or contemplated by these statements. Our forward-looking statements are subject to the following principal risks and uncertainties: availability of suitable reinvestment opportunities; investing in real estate assets including changes in general economic and market conditions and the general availability of credit; variability in investment portfolio cash flows; defaults by borrowers and/or guarantors and foreclosures and related legal proceedings; fluctuations in interest rates; prepayments of investment portfolio assets; inadequate or improper servicing of our loans and securities by third-party servicers; general competitive factors; uncertainty around government policy and the impact of regulatory changes; our compliance with Section 404 of the Sarbanes-Oxley Act; our ability to maintain our qualification as a REIT; and our ability to maintain our exemption from registration under the Investment Company Act of 1940. For additional information, see the Company’s Annual Report on Form 10-K for the year ended December 31, 2009, and other reports filed with and furnished to the Securities and Exchange Commission.

DX Snapshot



Company Highlights

- ✓ Internally managed REIT commenced operations in 1988
- ✓ Significant insider ownership and experienced management team
- ✓ Hybrid investment strategy investing in residential and commercial mortgage assets
- ✓ Large NOL carryforward for unique total return opportunity

Market Highlights

NYSE Stock Ticker	DX
Shares Outstanding (2/11/2011)	30,762,134
Quarterly Dividend (4Q 2010)	\$0.27
Share Price (2/11/2011)	\$10.68
Price to Book	1.1
Market Capitalization (2/11/2011)	\$328.5 million

2010 Highlights



- Generated **total return to shareholders of 38%** including reinvested dividends (*source: Bloomberg*)
- **Raised \$117 million in new common equity** earned \$1.41 per common share
- **Generated an ROE of 14.5%**
- **Increased market value of common stock to \$328.5 million as of 2/11/11** from \$119 million as of 12/31/09 (*source: SNL*)

.....All while maintaining our conservative risk profile

Management Team



Experienced team of professionals with a combined 80 years of experience managing mortgage REITs and mortgage portfolios

•Thomas B. AkinChairman and Chief Executive Officer

- 32 years of experience in the industry and 7 years at Dynex
- CEO since 2008
- Managing General Partner of Talkot Capital, LLC
- 16 years at Merrill Lynch and Salomon Brothers

•Byron L. BostonChief Investment Officer

- 27 years of experience in the industry with 3 years as CIO at Dynex
- 13 years managing levered multi-product portfolios at Freddie Mac and Sunset Financial Resources
- 11 years trading MBS on Wall Street
- 3 years Senior Corporate Lending Officer at Chemical Bank

•Stephen J. BenedettChief Financial Officer and Chief Operating Officer

- 21 years of experience in the industry and 16 years at Dynex
- Employed in various capacities at Dynex since 1994
- Managed Dynex from 20022007
- Began career at Deloitte & Touche

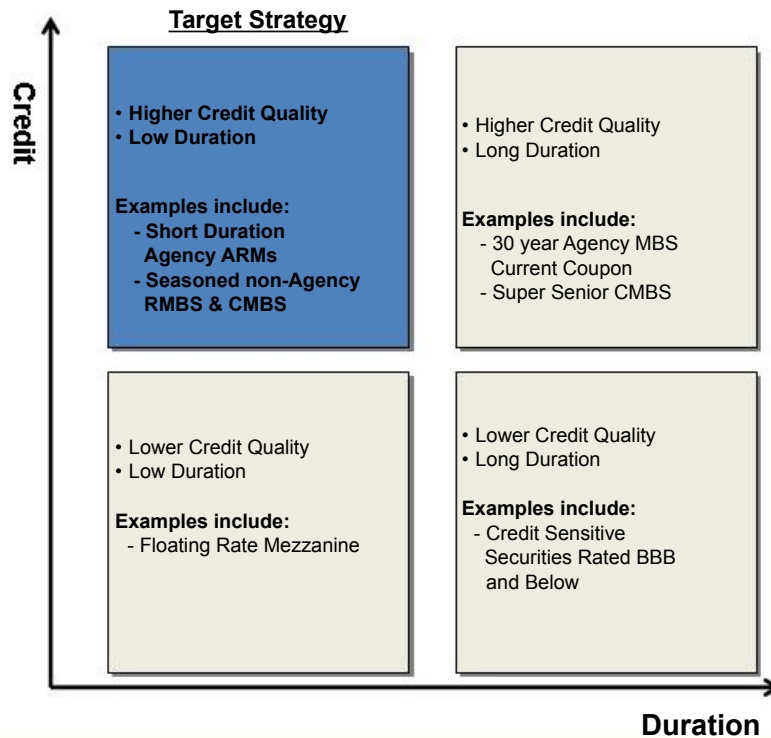
•Portfolio Management Team

- 4 member team with a collective 55 years of industry experience with broad and deep skill sets in both agency and non-agency investment strategies

Hybrid Investment Strategy



Hybrid Investment Strategy invests in a combination of Agency and non-Agency residential and commercial assets to maximize risk adjusted total return.



ASSETS:

- High grade securitized products Agency MBS, non-Agency RMBS and CMBS
- Target assets with a disciplined capital allocation framework focused on risk-adjusted returns and capital preservation

FUNDING:

- Blend of recourse and non-recourse
- Conservative leverage
- Diversified counterparty profile to avoid concentration risk
- Active maturity management to ensure stable financing profile

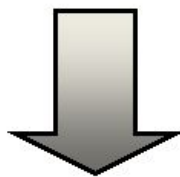
Macroeconomic Analysis



Sector Analysis



Security Selection & Funding



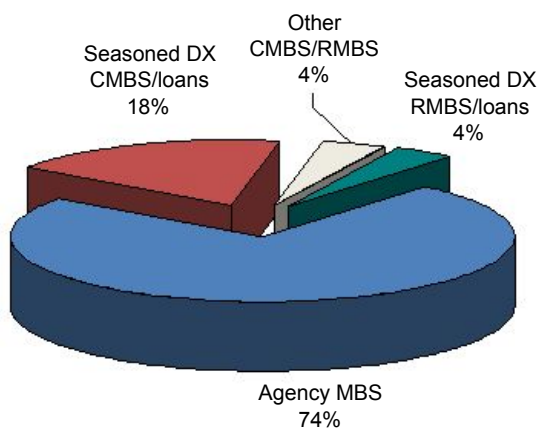
Performance & Risk Management

Unique Investment Portfolio

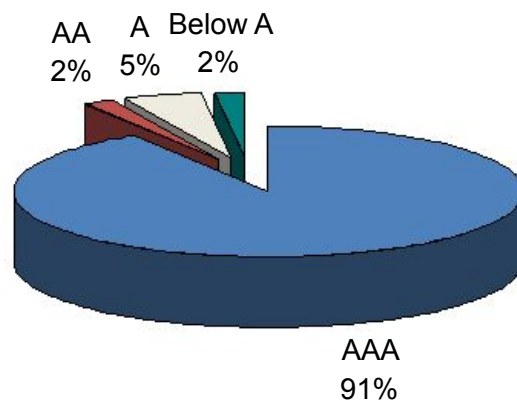
(as of 12/31/10)



Composition



Ratings



Current Investment Environment



- ✓ Macro:
 - Fed funds rate at historic lows with a steep yield curve
 - Government policy/regulations to influence investment returns
 - Improved financing environment
 - Competition for high quality assets
 - Securitization markets are healing slowly but unevenly
 - Global risk remains high
- ✓ Investment thesis:
 - Tighter credit standards have created more predictable mortgage cash flows and better investment opportunities
 - Agency MBS and highly-rated securities offer stable returns and have low financing risk
 - Premium risk is manageable
 - Hybrid REIT strategy allocates capital to most compelling investment opportunities

Return Profile for Prospective Investments as of 12/31/10



<u>Investment</u>	<u>Range of Prices</u>	<u>Range of yields</u>	<u>Range of net spread to funding</u>	<u>Range of ROEs</u>
Agency				
RMBS	102-108	2.5%-3.8%	1.7%-2.7%	14%-25%
CMBS	104-107	4.2%-4.5%	1.6%-2.5%	13%-20%
Non –Agency				
‘AAA’ RMBS	94-103	3.8%-5.0%	2.8%-3.8%	12%-20%
‘AAA’ CMBS	100-104	4.8%-5.3%	1.6%-2.4%	10%-15%

Note: Ranges noted above reflect estimates based on certain assumptions made by management and may not be indicative of actual results.

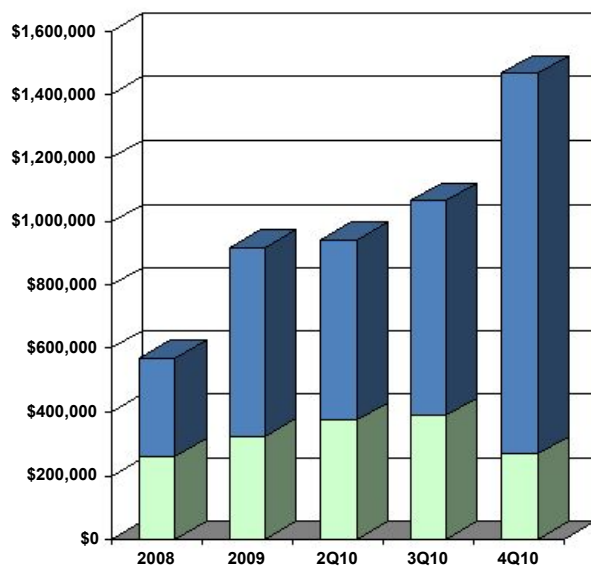
Portfolio Growth and Diversification of Income



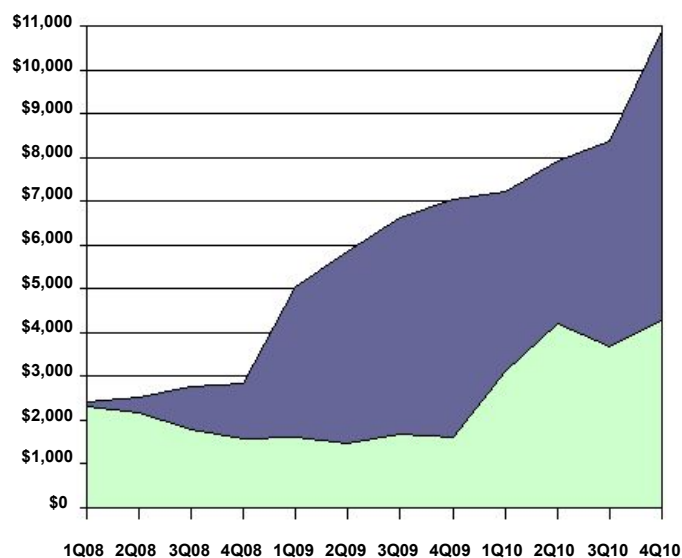
Investments

(\$ in thousands)

Net Interest Income



Non-Agency Agency

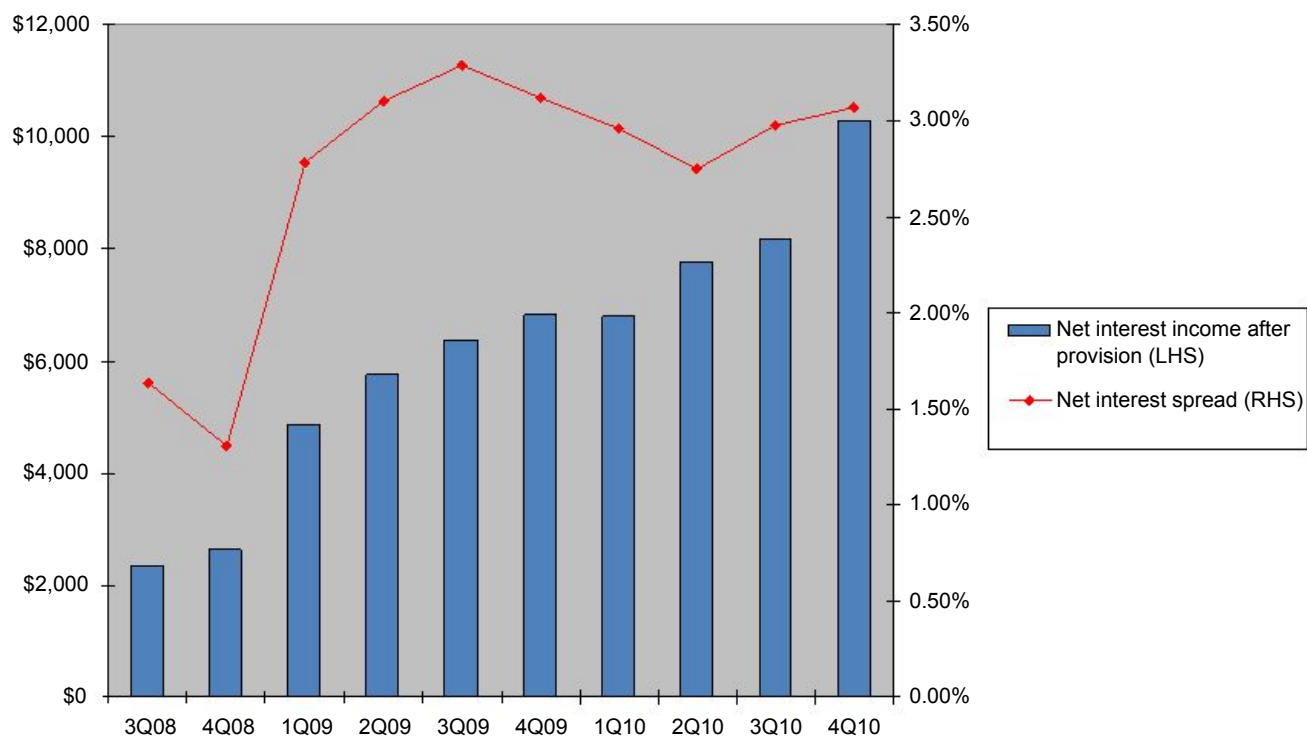


Non-Agency Agency

Investment Portfolio Income and Spread



\$ in thousands



Total Return Opportunity



- ✓ Excellent track record with attractive total return opportunity
- ✓ Strong and defensive balance sheet positioned to weather market volatility
- ✓ Experienced management with a track record of disciplined capital deployment through multiple economic cycles
- ✓ Alignment of interests with shareholders due to owner-operator structure
- ✓ Complementary investment opportunities exist with attractive return profiles consistent with our investment philosophy
- ✓ Opportunistic capital raises have increased shareholder value with minimal book value dilution

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APPENDIX



Long-Term Track Record



Demonstrated history of disciplined capital management and producing returns in excess of market benchmarks.



*SNL Finance REIT: Includes all publicly traded (NYSE, NYSE Amex, NASDAQ, OTC BB, Pink Sheets) Investment Companies with the following primary focuses: MBS REIT, Mortgage REIT and Specialty Finance REIT in SNL's coverage universe.

Source: SNL Financial

CMBS Investments Unique to DX



1998 CMBS (12/31/10 balances)

UPB	WAC	Rating	Credit Support
\$83.7 million	8.0%	'AAA'	50%
\$43.4 million	8.0%	'A+'	25%
\$19.5 million	8.0%	'BBB+'	13%
\$6.5 million	8.0%	'BBB'	9%
\$15.6 million	5.3%	Non-investment grade	

1997 CMBS (12/31/10 balances)

UPB	WAC	Rating	Credit Support
\$0.8 million	6.7%	'AAA'	99%
\$0.1 million	1200%	'AAA'	99%
\$20.5 million	6.8%	'AAA'	78%
\$33.1 million	7.0%	'AAA'	44%
\$23.7 million	7.2%	'A'	20%
\$19.8 million	7.6%	Non-investment grade	

✓ We created and sold two CMBS in 1997 and 1998, retaining only the non-investment grade CMBS in green at issuance

✓ We redeemed the 1998 CMBS bonds in blue at par in 12/2009 and 7/2010

✓ We redeemed the 1997 CMBS bonds in blue at par in 8/2010

✓ We financed all of the redemptions via resecuritization and repo at a current effective interest rate of ~1.8% for a current weighted average "spread" on the redeemed CMBS of ~6.4%

✓ Annual net interest income expected based on the spread earned on the CMBS is ~\$12 million based on current rates

✓ DX still owns rights to redeem the CMBS bonds in red at par

Current Counterparties



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Bank of America
Greenwich Capital
Cantor Fitzgerald
BB&T Capital
Morgan Keegan
Deutsche Bank
Morgan Stanley
SunTrust
MF Global
Barclay's

ING
Guggenheim
Jefferies Securities
Mizuho
South Street Securities
Goldman Sachs
Nomura
LBBW
Credit Suisse
Princeridge