

MORALES MANUEL JR  
 Form 5  
 February 02, 2007

**FORM 5**

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

OMB APPROVAL  
 OMB Number: 3235-0362  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).  
 Form 3 Holdings Reported Form 4 Transactions Reported

**ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person \*  
**MORALES MANUEL JR**  
 (Last) (First) (Middle)

2. Issuer Name and Ticker or Trading Symbol  
**POPULAR INC [BPOP]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

**P.O. BOX 9066590**  
 (Street)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)  
**12/31/2006**

Director  10% Owner  
 Officer (give title below)  Other (specify below)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Reporting (check applicable line)

**SAN JUAN, PR 00906-2708**  
 (City) (State) (Zip)

Form Filed by One Reporting Person  
 Form Filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Stock Par Value \$6 per share	12/31/2006	12/31/2006	J <sup>(1)</sup>	502 A \$0	352,174	D	À
Common Stock Par Value \$6 per share	À	À	À	À À À	671,740	I	By parents <sup>(2)</sup>

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

**Persons who respond to the collection of information contained in this form are not required to respond unless**

SEC 2270 (9-02)

