

ATHEROGENICS INC

Form 4

November 09, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
ATTICUS MANAGEMENT LLC

(Last) (First) (Middle)

**152 WEST 57TH STREET, 45TH
FLOOR**

(Street)

NEW YORK, NY 10019

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
ATHEROGENICS INC [AGIX]

3. Date of Earliest Transaction
(Month/Day/Year)
11/07/2006

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
____ Form filed by One Reporting Person
__X__ 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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)			
			Code	V	Amount	(D)	Price

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

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SEC 1474
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price Derivat Security
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Instr. 9)					
			Code	V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	(Instr. 10)
Total Return Equity Swap	\$ 13.5961	11/07/2006	J/K ⁽¹⁾		1	<u>(2)</u>	<u>(2)</u>	Common Stock	145,100	<u>(1)</u>
Total Return Equity Swap	\$ 13.4906	11/08/2006	J/K ⁽⁵⁾		1	<u>(2)</u>	<u>(2)</u>	Common Stock	116,900	<u>(5)</u>
Total Return Equity Swap	\$ 13.378	11/09/2006	J/K ⁽⁶⁾		1	<u>(2)</u>	<u>(2)</u>	Common Stock	38,000	<u>(6)</u>

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ATTICUS MANAGEMENT LLC 152 WEST 57TH STREET 45TH FLOOR NEW YORK, NY 10019		X		
BARAKETT TIMOTHY R 152 WEST 57TH STREET 45TH FLOOR NEW YORK, NY 10019		X		
Atticus Capital LP 152 WEST 57TH STREET 45TH FLOOR NEW YORK, NY 10019		X		

Signatures

/s/ John F. Brown, Attorney-in-Fact; For Timothy R. Barakett, individually; as Managing Member of Atticus Management LLC; and on behalf of Atticus Capital LP, as Managing Member of Atticus Management LLC, its general partner

11/09/2006

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Effective November 7, 2006, various Funds and Accounts (as defined in Note 4) entered into long positions in total return equity swaps with a securities broker in respect of an aggregate of 145,100 notional shares of Common Stock at a price of \$13.5961 per notional share.

(2) Not applicable. The total return equity swaps will settle one year or more from the date of entering into the swap, except as otherwise settled or extended, or as otherwise provided in accordance with the terms of the related ISDA master agreement or annexes thereto.

This statement is being filed by Atticus Management LLC, f/k/a Atticus Capital, L.L.C., a Delaware limited liability company ("Atticus Management"). Atticus Capital LP, a Delaware limited partnership ("Atticus Capital") and Timothy R. Barakett are additional reporting persons.

Mr. Barakett is the Chairman, Chief Executive Officer and Managing Member of Atticus Management. Atticus Management is the sole general partner of Atticus Capital. Atticus Capital, together with certain of its affiliated entities (collectively, the "Atticus Entities"), acts as adviser for various investment funds (the "Funds") and managed accounts (the "Accounts"). Based on his relationship with the Atticus Entities, Mr. Barakett may be deemed to be a beneficial owner of the securities owned by the Funds and the Accounts for purposes of Rule 16a-1(a)(1) under the Securities Exchange Act of 1934. Mr. Barakett, Atticus Management and Atticus Capital disclaim beneficial ownership within the meaning of Rule 16a-1(a)(2) under the Securities Exchange Act of 1934 in the securities owned by the Funds and the Accounts except to the extent, if any, of their pecuniary interest therein.

(5) Effective November 8, 2006, various Funds and Accounts entered into long positions in total return equity swaps with a securities broker in respect of an aggregate of 116,900 notional shares of Common Stock at a price of \$13.4906 per notional share.

(6) Effective November 9, 2006, various Funds and Accounts entered into long positions in total return equity swaps with a securities broker in respect of an aggregate of 38,000 notional shares of Common Stock at a price of \$13.3780 per notional share.

(7) Refers to total return equity swaps reported here.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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