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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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**ANNUAL AUDITED REPORT**  
**FORM X-17A-5**  
**PART III**

SEC Mail Processing  
Section

FEB 29 2008

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8-48753

FACING PAGE  
Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

Washington, DC

REPORT FOR THE PERIOD BEGINNING January 1, 2007 AND ENDING December 31, 2007  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: BBVA Securities of Puerto Rico, Inc.

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
254 Muñoz Rivera Ave, Lobby Level BBVA Tower

(No. and Street)

San Juan  
(City)

Puerto Rico  
(State)

00918  
(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Rosa Colón (787) 777-2139  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Pricewaterhouse Coopers, LLP

(Name - if individual, state last, first, middle name)

254 Muñoz Rivera Ave, BBVA Tower Suite 900 Hato Rey, PR 00918  
(Address) (City) (State) (Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

**PROCESSED**  
MAY 05 2008

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

Handwritten initials/signature

OATH OR AFFIRMATION

I, Rafael Colón Ascar, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of BBVA Securities of Puerto Rico, Inc., as of December 31, 20 07, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

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*[Handwritten Signature]*  
Notary Public

*[Handwritten Signature]*

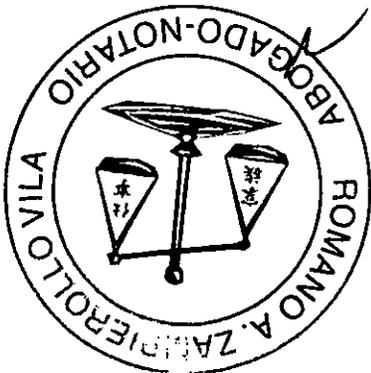
Signature  
Presidente  
Title

*Sworn and signed before me by Rafael Colón Ascar, of legal age, married, resident of San Juan, Puerto Rico, in his capacity as President of BBVA Securities to me personally known. In San Juan, Puerto Rico this 28<sup>th</sup> day of March 2008.*

This report \*\* contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\* For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



**Report of Independent Auditors**

To the Board of Directors and Stockholder of  
BBVA Securities of Puerto Rico, Inc.

In our opinion, the accompanying statement of financial condition and the related statements of operations, of changes in stockholder's equity and of cash flows (stamped by us for identification purposes) present fairly, in all material respects, the financial position of BBVA Securities of Puerto Rico, Inc. (the "Company") (a wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A.) at December 31, 2007, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*PricewaterhouseCoopers LLP*

February 28, 2008

CERTIFIED PUBLIC ACCOUNTANTS  
(OF PUERTO RICO)  
License No. 216 Expires Dec. 1, 2010  
Stamp 2287592 of the P.R. Society of  
Certified Public Accountants has been  
affixed to the file copy of this report

**BBVA Securities of Puerto Rico, Inc.**  
(a wholly-owned subsidiary of Banco Bilbao Vizcaya Argentaria, S.A.)  
**Statement of Financial Condition**  
**December 31, 2007**

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<b>Assets</b>	
Cash and cash equivalents	\$ 3,926,703
Deposit with clearing broker - restricted	100,000
Accounts receivable	1,248,334
Prepaid expenses and other assets	121,402
Securities owned - at market value	910,996
Employee loans	2,799,896
Property and equipment, net	116,412
Total assets	<u>\$ 9,223,743</u>
<b>Liabilities and Stockholder's Equity</b>	
Liabilities - Accounts payable and accrued expenses	<u>\$ 2,554,535</u>
Commitments and contingencies (Note 5 and 11)	
Stockholder's Equity	
Common stock, \$1 par value; authorized 1,000,000 shares, 805,000 shares issued and outstanding	805,000
Additional paid-in capital	6,460,000
Accumulated deficit	<u>(595,792)</u>
Total stockholder's equity	<u>6,669,208</u>
Total liabilities and stockholder's equity	<u>\$ 9,223,743</u>

**END**

The accompanying notes are an integral part of these financial statements.