

INSTEEL INDUSTRIES INC
 Form 5
 October 03, 2006

FORM 5

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

OMB APPROVAL

OMB Number: 3235-0362
 Expires: January 31, 2005
 Estimated average burden hours per response... 1.0

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 *
PECHOTA GARY L
 (Last) (First) (Middle)

2. Issuer Name and Ticker or Trading Symbol
INSTEEL INDUSTRIES INC [IIN]

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

1373 BOGGS DRIVE
 (Street)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
09/30/2006

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

MOUNT AIRY, NC 27030
 (City) (State) (Zip)

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

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

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)	(A) or (D)	Price	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	05/30/2006	Â	G	200	D	\$ 0	7,164	D	Â
Common Stock	06/01/2006	Â	G	75	D	\$ 0	7,089	D	Â
Common Stock	06/02/2006	Â	J	7,089	A	\$ 0	14,178	D	Â
Common Stock	Â	Â	Â	Â	Â	Â	1,922	I	Restricted

