

☐ 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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>LIDDY EDWARD M</u> (Last) (First) (Middle) <u>C/O THE ALLSTATE CORPORATION</u> <u>2775 SANDERS ROAD</u> (Street) <u>NORTHBROOK IL</u> <u>60062-6127</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>ALLSTATE CORP</u> [<u>ALL</u>]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chairman and CEO</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>12/07/2006</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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 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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	12/07/2006		M		400,000	A	\$35	819,669 ⁽¹⁾	D	
Common Stock	12/07/2006		M		100,000	A	\$42.41	919,669 ⁽¹⁾	D	
Common Stock	12/07/2006		M		125,000	A	\$42.5	1,044,669 ⁽¹⁾	D	
Common Stock	12/07/2006		M		21,788	A	\$61.39	1,066,457 ⁽¹⁾	D	
Common Stock	12/07/2006		S		518,994	D	\$63.8477	547,463 ⁽¹⁾	D	
Common Stock	12/07/2006		F ⁽²⁾		101,606	D	\$63.95	445,857 ⁽¹⁾	D	
Common Stock								3,613.2294 ⁽³⁾	I	by 401(k) Plan

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option (right to buy)	\$35	12/07/2006		M			400,000	08/12/2003	08/12/2009	Common Stock	400,000	\$35	0	D	
Employee Stock Option (right to buy)	\$42.41	12/07/2006		M			100,000	11/10/2002	11/10/2008	Common Stock	100,000	\$42.41	0	D	
Employee Stock Option (right to buy)	\$42.5	12/07/2006		M			125,000	08/13/2002	08/13/2008	Common Stock	125,000	\$42.5	0	D	
Employee Stock Option (right to buy)	\$61.39	12/07/2006		M			21,788	(4)	08/14/2007	Common Stock	21,788	\$61.39	43,576	D	

Explanation of Responses:

1. The transactions reported in this Form 4 were effected pursuant to a Rule 10b5-1(c) trading plan adopted by the reporting person on November 22, 2006.
2. Delivery of shares to issuer to pay minimum tax withholding liability incurred in connection with the exercise.
3. Reflects acquisition of 213.7730 shares of The Allstate Corporation common stock since July 15, 2005 under The Savings and Profit Sharing Fund of Allstate Employees, a 401(k) plan, pursuant to the most recent plan statement, dated December 7, 2006.
4. Remaining increments of employee stock option to purchase 43,576 shares of common stock to vest in two equal installments on July 14, 2007 and July 14, 2008.

EDWARD M LIDDY
** Signature of Reporting Person

12/11/2006
Date

* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.