

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

[X] Annual report pursuant to Section 15(d) of the Securities Exchange Act
of 1934

For the fiscal year ended December 31, 2000

Commission File Number 1-5725

A. Full title of the plan and the address of the plan, if
different from that of the issuer named below:

Piper Impact 401(k) Plan

B. Name of the issuer of the securities held pursuant to the plan
and the address of its principal executive office:

Quanex Corporation
1900 West Loop South, Suite 1500
Houston, TX 77027

INDEPENDENT AUDITORS' REPORT

The Benefits Committee
Quanex Corporation
Houston, Texas

Re: Piper Impact 401(k) Plan

We have audited the accompanying statements of net assets available for benefits of the Piper Impact 401(k) Plan ("the Plan") as of December 31, 2000 and 1999, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2000 and 1999, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of investments as of December 31, 2000 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. This supplemental schedule has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ DELOITTE & TOUCHE, LLP

DELOITTE & TOUCHE, LLP

May 25, 2001

QUANEX CORPORATION
PIPER IMPACT 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	DECEMBER 31,	
	2000	1999
Assets:		
Investments at fair value (see Note C)	\$6,913,217	\$7,372,571
Participant loans	365,313	300,717
Employee contributions receivable	83,617	131,512
Employer contributions receivable	46,464	73,261
	130,081	204,773
Net assets available for benefits	\$7,408,611	\$7,878,061

See notes to financial statements.

QUANEX CORPORATION
PIPER IMPACT 401(k) PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE
FOR BENEFITS

	DECEMBER 31,	
	2000	1999
Investment income:		
Interest and dividends	\$ 539,795	\$ 520,323
Net appreciation (depreciation) in fair value of investments (see Note C)	(862,632)	670,599
	(322,837)	1,190,922
Contributions:		
Employer (net of forfeitures)	463,148	541,133
Employee	958,451	1,295,411
	1,421,599	1,836,544
Interest on participant loans	24,362	17,655
Total additions	1,123,124	3,045,121
Benefit payments	1,586,931	947,578
Administrative fees (see Note D)	5,643	5,040
Total deductions	1,592,574	952,618
Increase (decrease) in net assets available for benefits	(469,450)	2,092,503
Net assets available for benefits:		
Beginning of year	7,878,061	5,785,558
End of year	\$ 7,408,611	\$ 7,878,061

See notes to financial statements.

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES AT END OF YEAR
 EIN: 38-1872178; PN 001

QUANEX CORPORATION
 PIPER IMPACT 401(k) PLAN

SUPPLEMENTAL SCHEDULE OF INVESTMENTS
 DECEMBER 31, 2000

	Shares/ Par Value	Cost	Current Value
	-----	-----	-----
* Fidelity Puritan Fund	28,833	\$ 544,971	\$ 542,932
* Fidelity Magellan Fund	1,397	180,420	166,603
* Fidelity Contrafund	22,437	1,183,904	1,103,233
* Fidelity Growth & Income Fund	1,586	72,824	66,791
* Fidelity Independence Fund	30,116	659,696	662,856
* Fidelity Overseas Fund	370	16,010	12,702
* Fidelity Balanced Fund	897	13,868	13,631
* Fidelity Blue Chip Fund	52,140	2,404,880	2,686,750
* Fidelity Asset Manager Fund	20,583	362,864	346,209
* Fidelity Low-Priced Stock Fund	486	11,076	11,230
* Fidelity Government Money Market Fund	654,507	654,507	654,507
Templeton Foreign Fund	1,112	11,551	11,500
Neuberger & Berman Partners Trust Fund	98	1,770	1,656
		-----	-----
Total Mutual Fund Assets		6,118,341	6,280,600
* Quanex Corporation unitized common stock	22,639	219,370	217,783
* Fidelity Common/Commingled trust	414,834	414,834	414,834
Participant loans (bearing interest rates from 8.75% to 10.50%, maturing within five to ten years)		365,313	365,313
		-----	-----
Total Investments		\$ 7,117,858	\$ 7,278,530
		=====	=====

* Party-in-Interest

QUANEX CORPORATION
PIPER IMPACT 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2000 AND 1999

A. DESCRIPTION OF THE PLAN

The following description of the Piper Impact 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

- (1) General. The Plan is a defined contribution plan which covers substantially all full-time employees of Piper Impact, Inc., (the "Company"), a subsidiary of Quanex Corporation. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The assets of the Plan are held in trust by Fidelity Management Trust Company ("Fidelity" or the "Trustee"). The Benefits Committee (the "Committee"), appointed by Quanex Corporation's Board of Directors, serves as the Plan administrator.
- (2) Contributions. Participants may contribute to the Plan by electing salary deferrals between 1% and 20% of compensation as defined by the Plan document. The Company contributes 25% of the first 6% of base compensation that a participant contributes to the Plan. Contributions are subject to certain limitations. In addition, the Company makes a contribution on behalf of employees who have at least three months of service. This contribution is based on company profits and is calculated based on a percentage of the employee's compensation.
- (3) Participant Accounts. Each participant's account is credited with the participant's contribution and allocations of the Company's contribution and Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.
- (4) Vesting. Participants are immediately vested in their contributions and earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 20% vested for each year of credited service beginning with his or her second year and is 100% vested after six years of credited service. Forfeited balances of terminated participants' non-vested accounts are used to reduce current or future Company contributions.
- (5) Payment of Benefits. The Plan is intended for long-term savings but provides for early withdrawals and loan arrangements under certain conditions. In accordance with the Code, upon termination of service, a participant may elect to receive a lump-sum distribution equal to the total amount of vested benefits in his or her account. Terminated participants with an account balance of less than \$5,000 will automatically receive a lump sum distribution.
- (6) Loans. Loans may be granted to a participant of the Plan at the Committee's discretion. Loan terms range up to five years or ten years if used for the purchase of a primary residence. The loans bear a reasonable rate of interest established by the Committee. Interest on the loan is allocated to the borrower's participant account.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (1) Accounting Basis. The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

- (2) Investment Valuation. The Plan recognizes net appreciation or depreciation in the fair value of its investments. Investments are reflected at fair value in the financial statements. Fair value of mutual fund assets is determined using a quoted net asset value. Fair value for Quanex Corporation common stock, which is listed on the New York Stock Exchange, is determined by using the last recorded sales price. The recorded value of the common/commingled trust is at face value, which is fair value.
- (3) Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from these estimates.
- (4) Administrative Expense. The Company pays all administrative expenses, except loan set up and carrying fees and redemption fees imposed on certain Fidelity funds.
- (5) Payments of Benefits. Benefit payments are recorded when paid.

C. INVESTMENTS

The following are investments that represent 5 percent or more of the Plan's net assets.

	December 31, 2000		December 31, 1999	
	Shares	Amount	Shares	Amount
	-----	-----	-----	-----
Fidelity Puritan Fund	28,833	\$ 542,932	29,290	\$ 557,384
Fidelity Contrafund	22,437	1,103,233	22,229	1,334,186
Fidelity Independence Fund	30,116	662,856	24,938	644,646
Fidelity Blue Chip Fund	52,140	2,686,750	49,444	2,972,107
Fidelity Government Money Market Fund	654,507	654,507	582,658	582,658
Common / Commingled Trust	414,834	414,834	511,721	511,721

During the years ended December 31, 2000 and 1999, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated / (depreciated) in value as follows:

	2000	1999
	-----	-----
Fidelity mutual funds	\$ (841,485)	\$ 652,898
Quanex unitized common stock	(21,147)	17,701
	-----	-----
	\$ (862,632)	\$ 670,599
	=====	=====

D. RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by Fidelity. Fidelity is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services amounted to \$5,643 and \$5,040 for the years ended December 31, 2000 and 1999, respectively. In addition, the Plan invests in shares of Quanax Corporation unitized common stock. Quanax Corporation is the Plan sponsor as defined by the Plan and, therefore, these transactions also qualify as party-in-interest transactions. As of December 31, 2000 and 1999, the value of Quanax Corporation common stock held by the Plan was \$ 217,783 and \$167,512, respectively.

E. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan at any time subject to the provisions set forth in ERISA. In the event of Plan termination, the assets held by the Trustee under the Plan will be valued and fully vested, and each participant will be entitled to distributions respecting his or her account.

F. FEDERAL INCOME TAX STATUS

The Plan is subject to specific rules and regulations related to employee benefit plans under the Department of Labor and the Internal Revenue Service. The Plan has received a favorable letter of tax determination dated September 30, 1998. As such, the Plan is a qualified trust under Sections 401(a) and 401(k) of the Internal Revenue Code (the "Code") and, as a result, is exempt from federal income tax under Section 501(a) of the Code. The Company believes the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. The Company believes the Plan was qualified and the related trust was tax-exempt as of the financial statement dates.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Piper Impact 401(k) Plan

Date: June 22, 2001

/s/ Viren M. Parikh

Viren M. Parikh, Benefits Committee

INDEX TO EXHIBITS

EXHIBIT NUMBER -----	DESCRIPTION -----
23.1	Independents Auditor's Consent

INDEPENDENT AUDITOR'S CONSENT

We consent to the incorporation by reference in Registration Statement No. 333-22977 of Quanex Corporation on Form S-8 of our report dated May 25, 2001, appearing in the Annual Report of Form 11-K of the Piper Impact 401(k) Plan for the year ended December 31, 2000.

/s/ DELOITTE & TOUCHE LLP

DELOITTE & TOUCHE LLP

Houston, Texas
June 22, 2001