

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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

1. Name and Address of Reporting Person* BAYLES MICHAEL R _____ (Last) (First) (Middle) 1900 WEST LOOP SOUTH SUITE 1500 _____ (Street) HOUSTON TX 77027 _____ (City) (State) (Zip)			2. Issuer Name and Ticker or Trading Symbol QUANEX CORP [NX]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer (give title below) Other (specify below) X V Pres-Building Products Group		
			3. Date of Earliest Transaction (Month/Day/Year) 12/01/2004					
			4. If Amendment, Date of Original Filed (Month/Day/Year)					
			6. Individual or Joint/Group Filing (Check Applicable Line) X 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	12/01/2004		A		3,100	A	\$0	17,355.3965	D		

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					
Stock Options (Right to buy)	\$26							10/24/2002	10/23/2011	Common Stock	18,334	18,334	D	
Stock Options (Right to buy)	\$32							12/05/2003	12/04/2012	Common Stock	25,000	25,000	D	
Stock Options (Right to buy)	\$39.6							12/04/2004	12/03/2013	Common Stock	13,800	13,800	D	
Stock Options (Right to buy)	\$59.2	12/01/2004		A		14,500		12/01/2005 ⁽¹⁾	12/01/2014	Common Stock	14,500	14,500	D	
Phantom Stock Units	\$0							09/30/2004	08/08/1988	Common Stock	6,148.6977	6,148.6977	D	

Explanation of Responses:

1. The option becomes exercisable in one third increments annually beginning one year from date of grant.

Terry M. Murphy, Power of Attorney

12/02/2004

** Signature of Reporting Person

Date

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

* 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.