

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 11-K

(Mark One)

/X/ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended December 31, 1994

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from _____ to _____.

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:

Nichols-Homeshield 401(k) Savings Plan--Davenport

B. Name of 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, Texas 77027
Phone: (713) 961-4600

INDEPENDENT AUDITORS' REPORT

The Benefits Committee
Quanex Corporation
Houston, Texas

Re: Nichols-Homeshield
401(k) Savings Plan - Davenport

We have audited the accompanying statement of net assets available for benefits of the Nichols-Homeshield 401(k) Savings Plan - Davenport (the "Plan") as of December 31, 1994, and the related statement of changes in net assets available for benefits for the year 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 audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 audit provides 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, 1994, and the changes in net assets available for benefits for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information by fund and supplemental schedules of (1) investments as of December 31, 1994 and (2) 5% reportable transactions for the year ended December 31, 1994 are presented for the purpose of additional analysis of the basic financial statements rather than to present information regarding the net assets available for benefits and changes in net assets available for benefits of the individual funds. This information and these schedules are not a required part of the basic financial statements. The schedules are supplementary information required by the Department of Labor's Rules and Regulation for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental information and these schedules are the responsibility of the Plan's management. Such supplemental information and schedules have been subjected to the auditing procedures applied in our audit 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.

We were engaged to audit the financial statements of the Plan as of December 31, 1993, and for the year then ended. These financial statements are the responsibility of the Plan's management.

As permitted by Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certification from the trustee as of and for the year ended December 31, 1993, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to express, and do not express, an opinion on the accompanying 1993 financial statements taken as a whole. The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with generally accepted auditing standards and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

/s/ Deloitte & Touche LLP

May 17, 1995

QUANEX CORPORATION
NICHOLS-HOMESHIELD 401(K) SAVINGS PLAN - DAVENPORT

STATEMENTS OF NET ASSETS AVAILABLE
FOR BENEFITS

	December 31,	
	1994	1993
Assets:		
Investments, at fair value -		
Mutual fund assets	\$ 5,583,521	\$ 4,874,543
Quanex Corporation common stock	59,346	-
Common/commingled trust	11,024	-
	5,653,891	4,874,543
Participant loans	360,335	320,470
Total investments	6,014,226	5,195,013
Receivables:		
Employer	56,361	43,536
Employee	65,704	46,263
	122,065	89,799
Net assets available for benefits	\$ 6,136,291	\$ 5,284,812

See notes to financial statements.

QUANEX CORPORATION
NICHOLS-HOMESHIELD 401(k) SAVINGS PLAN - DAVENPORT

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE
FOR BENEFITS

	December 31,	
	----- 1994 -----	----- 1993 -----
Investment income:		
Interest and dividends	\$ 233,942	\$ 268,235
Net appreciation (depreciation) in fair value of investments	(187,861)	173,467
Total	----- 46,081 -----	----- 441,702 -----
Contributions		
Employer	547,881	432,970
Less forfeitures	3,144	172
Employee	544,737	432,798
Total	594,047	479,252
Total	----- 1,138,784 -----	----- 912,050 -----
Interest on participant loans	25,430	15,914
Total additions	----- 1,210,295 -----	----- 1,369,666 -----
Benefit payments	357,557	219,135
Administrative Fees	1,259	-
Total deductions	----- 358,816 -----	----- 219,135 -----
Increase in net assets available for benefits	851,479	1,150,531
Net assets available for benefits:		
Beginning of year	5,284,812	4,134,281
End of year	----- \$ 6,136,291 =====	----- \$5,284,812 =====

See notes to financial statements.

QUANEX CORPORATION
NICHOLS-HOMESHIELD 401(k) SAVINGS PLAN - DAVENPORT

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1994 AND 1993

A. DESCRIPTION OF THE PLAN

The following description of the Nichols-Homeshield 401(k) Savings Plan - Davenport (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

- (1) General. The Plan was established on October 1, 1987 and amended and restated in its entirety in January 1993. The Plan is a defined contribution plan, which covers substantially all union hourly employees of the Davenport, Iowa facility. The Plan permits eligible employees to elect a deferral of compensation under Section 401(k) of the Internal Revenue Code ("IRC"). Effective January 1, 1992, the name was changed from the Nichols-Homeshield, Inc. 401(k) Savings Plan for Davenport Hourly Employees to the Nichols-Homeshield 401(k) Savings Plan - Davenport Hourly Employees when the sponsorship was transferred to Quanex Corporation (the "Company"). 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 (the "Trustee"). The Benefits Committee (the "Committee"), appointed by the Company's Board of Directors, serves as the Plan administrator.
- (2) Contributions. Participants may contribute to the Plan in amounts based upon a percentage of their compensation. Effective July 1992, participants may elect salary deferrals between 1% and 15% of compensation as defined by the Plan agreement. Participants may also contribute in half percentages. Company contributions are made based on a percentage of the employee's compensation for each individual with over one year of service.
- (3) Participant Accounts. Each participant's account is credited with the participant's contribution, the employer's contribution, and the participant's pro rata share of investment earnings. Investment earnings allocations are based upon individual participant account balances as of the end of the period in which the income was earned.
- (4) Investment Options. Effective April 1, 1992, the Company appointed the Trustee to manage all funds of the Plan. During 1994 and 1993, participants may direct allocations of their contributions to the following funds:
 - Government Money Market Fund - composed of short-term government obligations.
 - Short-Intermediate Government Fund - invested and reinvested in securities issued by U.S. government.
 - Balanced Fund - invested and reinvested in common and preferred stocks and bonds.
 - Growth and Income Fund - invested and reinvested in equity and debt securities of foreign and domestic companies.
 - Magellan Fund - invested and reinvested in equity and debt securities of foreign and domestic companies.

Contrafund - invested and reinvested in equities of foreign and domestic companies.

Overseas Fund - invested and reinvested in foreign securities.

Common/Commingled Trust - invested and reinvested in investment contracts issued by insurance companies, banks and other financial institutions.

Puritan Fund - invested and reinvested in common and preferred stocks and bonds.

Quanex Corporation Common Stock - invested and reinvested exclusively in the common stock of Quanex Corporation.

During 1994, the Common/Commingled Trust and Quanex Corporation Common Stock were added as investment options. The Short-Intermediate Government Fund was replaced by the Puritan Fund effective July 1, 1994.

- (5) Vesting. Participants are immediately vested in their contributions and earnings thereon. Vesting in the employer contribution is based on years of credited service. A participant is 20% vested for each year of credited service and fully vested after five years. If a participant terminates employment prior to becoming fully vested, the nonvested portion of the employer contributions are immediately forfeited by the participant and utilized to reduce future employer contributions.
- (6) 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 IRC, 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.
- (7) Loans. Loans may be granted to a participant of the Plan at the Committee's discretion. Any loan authorized by the Committee shall be subject to a term not to exceed five years. The Committee may agree to a longer term (up to seven years) only if the proceeds of the loan are to be used for the purchase of a dwelling. 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) Administrative Expenses. Administrative expenses of the Plan are paid by the Company. Loan set up fees and carrying fees are paid by the participant.
- (3) 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 using the last recorded sales price.
- (4) Payment of Benefits. Benefits are recorded when paid.

C. INVESTMENTS AND INFORMATION FURNISHED BY THE TRUSTEE (UNAUDITED)

The following is a summary of the unaudited information included in the Plan's 1993 financial statements and supplemental schedules prepared by the Trustee and furnished to the Company. The Company obtained certification from the Trustee that such 1993 information is complete and accurate.

	1993

At December 31, Investments, at fair value	\$4,874,543
For the year ended December 31, Interest and dividends	\$ 268,235
Net appreciation (depreciation) in fair value of investments	173,467

In addition, investment-related information included in Notes F, G and H has been certified by the Trustee.

D. 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.

E. FEDERAL INCOME TAX STATUS

Management of the Company, the plan administrator, and the Plan's legal counsel are of the opinion that the Plan is qualified under Sections 401(a) and 401(k) and exempt from federal income tax under Section 501(a) of the Internal Revenue Code. The Plan received a favorable letter of tax determination from the Internal Revenue Service dated June 18, 1993 as to the tax-exempt status of the plan.

F. RELATED PARTY TRANSACTIONS

During the year ended December 31, 1994, the Plan purchased 2,594 shares (cost \$58,983) of Quanex Corporation common stock.

During the years ended December 31, 1994 and 1993, the Plan purchased shares of Fidelity, the Trustee mutual fund assets, as shown below:

1994		1993	
-----	-----	-----	-----
Shares	Cost	Shares	Cost
-----	-----	-----	-----
1,454,728	\$2,668,351	553,189	\$3,132,233

During the years ended December 31, 1994 and 1993, the Plan sold 589,033 and 725,184 shares of Fidelity mutual fund assets valued at \$1,824,022 and \$2,301,769 (cost \$1,771,152 and \$2,261,148), respectively.

During the year ended December 31, 1994 the Plan purchased 11,024 shares (cost \$11,024) of Fidelity, the Trustee Common/Commingled Trust.

G. ALLOCATION OF NET ASSETS AVAILABLE FOR BENEFITS TO INVESTMENT PROGRAMS
The following tables provide supplemental information regarding the net assets available for benefits by investment fund.

December 31, 1994						
TOTAL	GOVT. MONEY MARKET FUND	COMMON\ COMMINGLED TRUST	PURITAN FUND	BALANCED FUND	GROWTH AND INCOME FUND	
Assets						
Investments, at fair value						
Mutual fund assets	\$5,583,521	\$2,445,663		\$16,831	\$435,903	\$1,191,953
Quanex common stock	59,346					
Common/commingled trust	11,024		\$11,024			
Participant loans	360,335	155,866	703	1,081	27,781	75,958
Total Investments	6,014,226	2,601,529	11,727	17,912	463,684	1,267,911
Contributions receivable						
Employer	56,361	21,860	84	363	3,585	12,526
Employee	65,704	17,694	167	474	9,390	14,833
	122,065	39,554	251	837	12,975	27,359
Net assets available for benefits	\$6,136,291	\$2,641,083	\$11,978	\$18,749	\$476,659	\$1,295,270

December 31, 1994				
MAGELLAN FUND	OVERSEAS FUND	CONTRA- FUND	QUANEX COMMON STOCK	
Assets				
Investments, at fair value				
Mutual fund assets	\$931,561	\$120,696	\$440,914	
Quanex common stock			\$59,346	
Common/commingled trust				
Participant loans	59,383	7,711	28,070	3,782
Total Investments	990,944	128,407	468,984	63,128
Contributions receivable				
Employer	9,477	1,714	5,855	897
Employee	10,230	3,200	7,609	2,107
	19,707	4,914	13,464	3,004
Net assets available for benefits	\$1,010,651	\$133,321	\$482,448	\$66,132

December 31, 1993 (Unaudited)						
TOTAL	GOVT. MONEY MARKET FUND	SHORT- INTER- MEDIATE GOVT. FUND	U. S. BOND INDEX FUND	BALANCED FUND	GROWTH AND INCOME FUND	
Assets:						
Investments at fair value						
Mutual fund assets	\$4,874,543	\$1,518,533	\$762,334	\$0	\$388,812	\$995,800
Participant loans	320,470	139,288	86,551	0	10,220	35,631
Total Investments	5,195,013	1,657,821	848,885	0	399,032	1,031,431
Contributions receivable						
Employer	43,536	10,917	4,962	0	5,888	9,519
Employee	46,263	8,600	5,014	0	6,448	10,351
	89,799	19,517	9,976	0	12,336	19,870
Net assets available						

for benefits

\$5,284,812
=====

\$1,677,338
=====

\$858,861
=====

\$0
=====

\$411,368
=====

\$1,051,301
=====

December 31, 1993 (Unaudited)

	MAGELLAN FUND	OVERSEAS FUND	CONTRA- FUND
Assets:			
Investments at fair value			
Mutual fund assets	\$781,787	\$109,838	\$317,439
Participant loans	44,936	0	3,844
Total Investments	826,723	109,838	321,283
Contributions receivable	6,982	614	4,654
Employer	9,150	829	5,871
Employee	16,132	1,443	10,525
Net assets available for benefits	\$842,855 =====	\$111,281 =====	\$331,808 =====

H. ALLOCATION OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS TO INVESTMENT PROGRAMS

The following tables provide supplemental information regarding the change in net assets available for benefits by investment fund.

	December 31, 1994					
	TOTAL	GOVT. MONEY MARKET FUND	QUANEX COMMON STOCK	COMOMON\ COMMINGLED TRUST	BALANCED FUND	GROWTH AND INCOME FUND
Investment income:						
Interest and dividends	\$233,942	\$80,180	\$45	\$280	\$12,881	\$83,667
Net appreciation (depreciation) in fair value of investments	(187,861)	0	363	0	(35,684)	(60,092)
Total	46,081	80,180	408	280	(22,803)	23,575
Contributions:						
Employer	547,881	180,452	1,950	375	62,730	116,107
Less forfeitures	(3,144)	(204)	0	0	(199)	(137)
	544,737	180,248	1,950	375	62,531	115,970
Employee	594,047	151,552	5,190	775	64,857	135,098
	1,138,784	331,800	7,140	1,150	127,388	251,068
Interest on participant loans	25,430	10,841	0	0	2,680	4,852
Total Additions	1,210,295	422,821	7,548	1,430	107,265	279,495
Benefit payments	357,557	271,384	201	37	12,142	25,282
Administrative Fee	1,259	194	0	0	49	376
	358,816	271,578	201	37	12,191	25,658
Fund transfers	0	812,502	58,785	10,585	(29,783)	(9,868)
Increase in net assets available for benefits	851,479	963,745	66,132	11,978	65,291	243,969
Net assets available of benefits:						
Beginning of year	5,284,812	1,677,338	0	0	411,368	1,051,301
End of year	\$6,136,291	\$2,641,083	\$66,132	\$11,978	\$476,659	\$1,295,270

	December 31, 1994				
	PURITAN FUND	MAGELLAN FUND	OVERSEAS FUND	CONTRA- FUND	SHORT- INTER- MEDIATE GOVT. FUND
Investment income:					
Interest and dividends	\$897	\$29,986	\$2,042	\$2,343	\$21,621
Net appreciation (depreciation) in fair value of investments	(920)	(45,690)	(2,115)	(7,279)	(36,444)
Total	(23)	(15,704)	(73)	(4,936)	(14,823)
Contributions:					
Employer	1,249	93,480	10,355	57,904	23,279
Less forfeitures	0	(2,475)	0	0	(129)
	1,249	91,005	10,355	57,904	23,150
Employee	1,750	115,775	14,284	81,248	23,518
	2,999	206,780	24,639	139,152	46,668

Interest on participant loans	0	2,966	1,143	1,395	1,553
Total Additions	2,976	194,042	25,709	135,611	33,398
Benefit payments	57	22,884	408	11,336	13,826
Administrative Fee	0	584	0	56	0
	57	23,468	408	11,392	13,826
Fund transfers	15,830	(2,778)	(3,261)	26,421	(878,433)
Increase in net assets available for benefits	18,749	167,796	22,040	150,640	(858,861)
Net assets available of benefits:					
Beginning of year	0	842,855	111,281	331,808	858,861
End of year	\$18,749	\$1,010,651	\$133,321	\$482,448	\$0

H. ALLOCATION OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS TO INVESTMENT PROGRAMS (continued)

	December 31, 1993 (Unaudited)					
	TOTAL	GOVT. MONEY MARKET FUND	SHORT-INTER-MEDIATE GOVT. FUND	U.S. BOND INDEX FUND	BALANCED FUND	GROWTH AND INCOME FUND
Investment income:						
Interest and dividends	\$268,235	\$47,405	\$46,218	\$4,354	\$26,999	\$50,501
Net appreciation (depreciation) in fair value of investments	173,467	0	(5,845)	11,011	11,220	83,347
Total	441,702	47,405	40,373	15,365	38,219	133,848
Contributions:						
Employer	432,970	116,853	51,771	0	60,417	93,099
Less forfeitures	172	172	0	0	0	0
	432,798	116,681	51,771	0	60,417	93,099
Employee	479,252	103,765	54,992	0	70,407	105,844
	912,050	220,446	106,763	0	130,824	198,943
Interest on participant loans	15,914	5,868	1,866	190	2,127	3,130
Total Additions	1,369,666	273,719	149,002	15,555	171,170	335,921
Benefit payments	219,135	63,411	34,121	0	105,768	7,645
Fund transfers	0	(369,360)	743,980	(975,645)	224,023	108,131
Increase in net assets available for benefits	1,150,531	(159,052)	858,861	(960,090)	289,425	436,407
Net assets available for benefits:						
Beginning of year	4,134,281	1,836,390	0	960,090	121,943	614,894
End of year	\$5,284,812	\$1,677,338	\$858,861	\$0	\$411,368	\$1,051,301

H. ALLOCATION OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS TO INVESTMENT PROGRAMS (continued)

	December 31, 1993 (Unaudited)		
	MAGELLAN FUND	OVERSEAS FUND	CONTRA-FUND
Investment income:			
Interest and dividends	\$67,336	\$ 974	\$24,448
Net appreciation (depreciation) in fair value of investments	56,080	3,121	14,533
Total	123,416	4,095	38,981
Contributions:			
Employer	65,982	1,572	43,276
Less forfeitures	0	0	0
	65,982	1,572	43,276
Employee	88,997	2,111	53,136
	154,979	3,683	96,412
Interest on participant loans	1,122	0	1,611
Total Additions	279,517	7,778	137,004

Benefit payments	7,915	0	275
Fund transfers	92,762	103,503	72,606
	-----	-----	-----
Increase in net assets available for benefits	364,364	111,281	209,335
Net assets available for benefits:			
Beginning of year	478,491	0	122,473
	-----	-----	-----
End of year	\$842,855	\$111,281	\$331,808
	=====	=====	=====

Item 27a - Schedule of Assets Held for Investment Purposes
 EIN: 38-1872178; PN 016

QUANEX CORPORATION
 NICHOLS-HOMESHIELD 401(k) SAVINGS PLAN - DAVENPORT

SUPPLEMENTAL SCHEDULE OF INVESTMENTS
 DECEMBER 31, 1994

	Shares/ Par Value -----	Cost -----	Current Value -----
Mutual fund assets - Fidelity Investments:			

Contrafund*	14,560	\$ 431,669	\$ 440,914
Government Money Market Fund*	2,445,664	2,445,664	2,445,663
Puritan Fund*	1,137	17,758	16,831
Growth and Income Fund*	56,517	1,199,583	1,191,953
Magellan*	13,946	950,710	931,561
Overseas Fund*	4,422	120,531	120,696
Balanced Fund*	35,468	463,308	435,903
		-----	-----
Total Mutual Fund Assets		5,629,223	5,583,521
		-----	-----
Quanex Corporation Common Stock*	2,594	58,984	59,346
Common/Commingled Trust*	11,024	11,024	11,024
Participant loans (bearing interest rates from 7.85% to 11%)			360,335
		-----	-----
Total investments		\$ 5,699,231	\$ 6,014,226
		=====	=====

* Party-in-Interest

NICHOLS-HOMESHIELD 401(k) SAVINGS PLAN - DAVENPORT

SUPPLEMENTAL SCHEDULE OF 5% REPORTABLE TRANSACTIONS
 FOR THE YEAR ENDED DECEMBER 31, 1994
 Series of Transactions

Description	Total Number of Purchases During Plan Year	Purchase Price	Total Number of Sales During Plan Year	Selling Price	Cost of Asset	Current Value on Transaction Date	Net Gain (Loss)
Quanex Corporation Common Stock	9	\$58,983					
Puritan Fund	9	17,758					
Magellan Fund	49	352,059	24	\$156,560	\$156,584	\$156,560	\$(24)
Contrafund	36	180,918	15	51,115	50,193	51,115	922
Growth & Income Fund	46	376,199	26	123,328	119,964	123,328	3,364
Overseas Fund	25	59,220	4	47,055	46,231	47,055	824
Balanced Fund	42	186,683	23	108,957	\$103,907	108,957	5,050
Government Money Market Fund	46	1,410,928	40	483,797	483,797	483,797	0

NICHOLS-HOMESHIELD 401(k) SAVINGS PLAN - DAVENPORT

SUPPLEMENTAL SCHEDULE OF 5% REPORTABLE TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 1994

Series of Transactions
(continued)

Description -----	Total Number of Purchases During Plan Year -----	Purchase Price -----	Total Number of Sales During Plan Year -----	Selling Price -----	Cost of Asset -----	Current Value on Transaction Date -----	Net Gain (Loss) -----
Short Intermediate Government Fund	21	\$84,586	10	\$853,210	\$810,476	\$853,210	\$42,734

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.

DATE 6/26/95 /s/ Joseph K. Peery
----- Joseph K. Peery

INDEX TO EXHIBITS

EXHIBIT
NUMBER

23.1 Independent Auditor's Consent

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement No. 33-54085 of Quanex Corporation on Form S-8 of our report dated May 17, 1995, appearing in this Annual Report on Form 11-K of Nichols - Homeshield 401(k) Savings Plan - Davenport for the year ended December 31, 1994.

/s/ Deloitte & Touche LLP

DELOITTE & TOUCHE LLP

Houston, Texas
June 29, 1994