

FORM 5

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
OMB Number:	3235-0362
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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).
- Form 3 Holdings Reported.
- Form 4 Transactions Reported.

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* <u>BAYLES MICHAEL R</u> (Last) (First) (Middle) 1900 WEST LOOP SOUTH SUITE 1500 (Street) HOUSTON TX 77027 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>QUANEX CORP [NX]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>V Pres-Building Products Group</u>
	3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) 10/31/2003	
	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 <input type="checkbox"/> 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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock	12/31/2002		J ⁽¹⁾	0.089	A	\$33.596	8,787.0995	D	
Common Stock	12/31/2002		J ⁽¹⁾	0.881	A	\$33.4846	8,787.9805	D	
Common Stock	12/31/2002		J ⁽¹⁾	0.85	A	\$33.5176	8,788.8305	D	
Common Stock	12/31/2002		J ⁽¹⁾	0.854	A	\$33.4895	8,789.6845	D	
Common Stock	02/07/2003		J ⁽²⁾	50.714	A	\$30.0499	8,840.3985	D	
Common Stock	03/07/2003		J ⁽²⁾	48.798	A	\$31.2298	8,895.3375	D	
Common Stock	03/31/2003		J ⁽¹⁾	3.561	A	\$31.6962	8,898.8985	D	
Common Stock	04/07/2003		J ⁽²⁾	45.696	A	\$33.35	8,944.5945	D	
Common Stock	05/07/2003		J ⁽²⁾	48.611	A	\$31.35	8,993.2055	D	
Common Stock	06/06/2003		J ⁽²⁾	46.533	A	\$32.75	9,046.2225	D	
Common Stock	06/30/2003		J ⁽¹⁾	4.594	A	\$29.72	9,050.8165	D	
Common Stock	07/01/2003		J ⁽²⁾	52.416	A	\$30.66	9,103.2325	D	
Common Stock	08/06/2003		J ⁽²⁾	52.812	A	\$30.43	9,156.0445	D	
Common Stock	09/04/2003		J ⁽²⁾	46.854	A	\$34.3	9,208.6875	D	
Common Stock	09/30/2003		J ⁽¹⁾	4.838	A	\$33.6	9,213.5255	D	
Common Stock	10/01/2003		J ⁽²⁾	24.662	A	\$34.83	9,238.1875	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)
					(A)	(D)	Date Exercisable	Expiration Date					

Explanation of Responses:

- Shares acquired with dividend reinvestment through the Quanex 401(k) Plan.
- Shares acquired through Quanex 401 (k) Plan.

Terry M. Murphy, Power of Attorney

12/12/2003

** Signature of Reporting Person

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.