

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 OR 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **July 20, 2006**

QUANEX CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-5725
(Commission File Number)

38-1872178
(IRS Employer Identification No.)

1900 West Loop South, Suite 1500, Houston, Texas
(Address of principal executive offices)

77027
(Zip Code)

Registrant's telephone number, including area code: **713-961-4600**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12(b) under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure

This information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

On July 20, 2006, Quanex Corporation issued a press release (the "Press Release") providing earnings guidance for the third quarter of fiscal year 2006. The foregoing is qualified by reference to the Press Release which is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1. Press release dated July 20, 2006

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

QUANEX CORPORATION

(Registrant)

July 20, 2006

/s/ THOMAS M. WALKER

(Date)

Thomas M. Walker
Senior Vice President - Finance and Chief Financial Officer

Exhibit Index

99.1 Press release dated July 20, 2006

Quanex Corporation Quarterly Update -- Fiscal Third Quarter 2006

Expects Diluted EPS From Continuing Operations of \$1.05 - \$1.09 After a \$0.07 Per Share Non-Cash LIFO Charge

HOUSTON, July 20, 2006 (PRIMEZONE) -- Quanex Corporation (NYSE:NX), an industry-leading manufacturer of value-added engineered materials and components for the vehicular products and building products markets, announced today that it expects to report fiscal third quarter 2006 diluted earnings per share from continuing operations in a range of \$1.05 to \$1.09 when it reports results on August 24, 2006. Quanex noted that today's guidance includes a provision for a non-cash LIFO charge of \$0.07 per share. The LIFO charge stems from a substantial rise in the price of LME aluminum ingot associated with the aluminum sheet business. The Company stated that its actual financial performance, excluding the LIFO adjustment, is expected to be consistent with its June 1, 2006, guidance of \$1.10 - \$1.16 diluted earnings per share from continuing operations.

The Vehicular Products segment, whose primary drivers are North American light vehicle builds and heavy duty truck builds, expects to report higher net sales but, as anticipated, lower operating income in the quarter due to more moderate raw material surcharges compared to a year ago. Steel bars shipped in the third quarter are expected to exceed year-ago tons by some 12%.

The Building Products segment, whose primary drivers are U.S. housing starts and remodeling activity, expects to report best ever net sales and operating income for any quarter due to strong aluminum sheet shipments and material spread.

The Company also announced it purchased 1,042,200 shares of its outstanding common stock during the quarter at an average price of \$38.78 and has approximately 675,000 additional shares still authorized under its repurchase program.

Figures in this press release reflect the Company's 3 for 2 stock split in the form of a stock dividend effective March 15, 2006. Quanex is listed on the New York Stock Exchange under the symbol NX. For further information, visit the Company's website at www.quanex.com.

The Quanex Corporation logo is available at <http://www.primezone.com/newsroom/prs/?pkgid=1117>

Statements that use the words "expect," "should," "may," "could," "will," "might," or similar words reflecting future expectations or beliefs are forward-looking statements. The statements above are based on Quanex's current expectations. Actual results or events may differ materially from this press release. Factors that could impact future results may include, without limitation, the effect of both domestic and global economic conditions, the impact of competitive products and pricing, and the availability and cost of raw materials. For a more complete discussion of factors that may affect the Company's future performance, please refer to the Company's most recent 10-K filing of December 21, 2005, under the Securities Exchange Act of 1934, in particular, the sections titled "Private Securities Litigation Reform Act" contained therein.

CONTACT: Quanex Corporation
Jeff Galow
713-877-5327
Valerie Calvert
713-877-5305