

NATIONAL STEEL CO  
Form 6-K  
September 30, 2008

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**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 6-K**

Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 or 15d-16 of the  
Securities Exchange Act of 1934

**For the month of September, 2008**

**Commission File Number 1-14732**

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**COMPANHIA SIDERÚRGICA NACIONAL**

(Exact name of registrant as specified in its charter)

**National Steel Company**

(Translation of Registrant's name into English)

**Av. Brigadeiro Faria Lima 3400, 20º andar**  
**São Paulo, SP, Brazil**  
**04538-132**

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports  
under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby  
furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

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NOTICE TO THE MARKET  
COMPANHIA SIDERÚRGICA NACIONAL  
Rua São José nº 20, Grupo 1602  
Rio de Janeiro/RJ  
CNPJ nº 33.042.730/0001 -04

COMPANHIA SIDERURGICA NACIONAL (BOVESPA: CSNA3; NYSE: SID) hereby informs its shareholders and market participants, in light of news recently published by the press and the re-opening of its share repurchase program, as follows:

1. The company has a conservative financial management policy relating to its investments and assets. The purpose of this policy is to protect its cash flow and balance sheet. The company does not have any leveraged transactions relating to fixed income or foreign exchange derivatives, including transactions relating to double indexed or target forward derivatives. The objective of eventual foreign exchange derivative transactions is to hedge against foreign exchange exposures. The company's foreign exchange exposure, in the context of the company's operations, remained immaterial throughout the year.
2. On April 2<sup>nd</sup>, 2003, the company entered into an equity swap transaction. The transaction has been renewed since then. The terms and conditions applicable to the latest renewal are reflected in a press release (i.e., fato relevante ) dated July 11<sup>th</sup>, 2008. Pursuant to the terms and conditions of such last renewal, the company owes to its counterparty a LIBOR-based interest rate on a notional amount corresponding to the average price of approximately American Depositary Receipts ("ADRs") representing common stock of the company, while the counterparty owes the company an amount corresponding to the appreciation of the ADRs corresponding to the notional amount and to the dividends allocated to such ADRs. Since its inception, the financial result of this transaction is reported in the notes to the company's financial statements. The transactions' aggregate financial result, from April 2<sup>nd</sup> 2003 to September 26<sup>th</sup>, 2008, corresponds to approximately US\$845 million.
3. The company has a solid financial position and does business solely with first tier financial institutions. The company's cash availability on September 26, 2008, corresponded to approximately US\$1.7 billion.
4. As recently covered by the press, there are negotiations in progress concerning an eventual sale of an equity interest, or investment in, Nacional Minérios S.A., a subsidiary of the company.

**Companhia Siderúrgica Nacional**  
Otávio de Garcia Lazcano  
Investor Relations Officer

**SIGNATURE**

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

Date: September 29, 2008

**COMPANHIA SIDERÚRGICA NACIONAL**

By:           /s/ Benjamin Steinbruch          

**Benjamin Steinbruch**  
**Chief Executive Officer**

By:           /s/ Otávio de Garcia Lazcano          

**Otávio de Garcia Lazcano**  
**Chief Financial Officer and**  
**Investor Relations Officer**

**FORWARD-LOOKING STATEMENTS**

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

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