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NEW YORK (AP) — U.S. Steel said Tuesday it earned a profit of \$22 million in the third-quarter as steel sold for higher prices. The company lost \$51 million in the year-ago quarter.

That marks two straight profitable quarters for U.S. Steel, which had suffered through an eight-quarter losing streak. But the nation's largest steelmaker warned that demand for some of its steel products could decline in the final three months of the year if Western economies continue to slow down.

U.S. Steel reported per-share income of 15 cents for the three months ended Sept. 30. That compares with a loss 35 cents per share for the same period in 2010. Revenue increased 13 percent to \$5.08 billion.

Excluding net foreign currency losses and other charges, U.S. Steel Corp. said it earned \$118 million, or 72 cents per share.

Analysts, who typically exclude special charges, had expected earnings of 55 cents per share on revenue of \$5.08 billion, according to FactSet.

The Pittsburgh company said prices increased for both flat-rolled and tubular steel. Flat-rolled steel is used to make automobiles to appliances, and tubular steel is used for pipes.

Steel shipments increased in the quarter, except for shipments to Europe, where a credit crisis and government austerity measures have stifled demand in the region.

Sales of tubular steel are expected remain strong in the final three months of the year. But flat-rolled steel sales in North America and Europe are expected to decline as customers grow cautious "as a result of the slow and uneven economic recovery in those regions," U. S. Steel Chairman and CEO John P. Surma said.

Shares rose 73 cents, or 3 percent, to \$25.50 in premarket trading.

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