

percent in January; applications for building permits also dropped to a record low; and production at the nation's factories, mines and utilities fell a greater-than-expected 1.8 percent last month.

The Federal Reserve slashed its projections for the country's economic performance this year, predicting the economy will shrink this year. In its previous forecast, the Fed still held out the possibility of growth in 2009.

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registered a contraction for a full year was in 1991, by 0.2 percent.

If the Fed's new predictions prove correct, it would mark the weakest showing since a 1.9 percent drop in 1982, when the country had suffered through a severe recession.

The grim outlook represents the growing toll of the worst housing, credit and financial crises since the 1930s.

All of those negative forces have plunged the nation into a recession, now in its second year.

"Given the strength of the forces currently weighing on the economy," Fed officials "generally expected that the recovery would be unusually gradual and prolonged," according to documents on the Fed's updated economic outlook.

Pawn Central has been in business since the 1950s. Each day now brings more first-time visitors, said Allen McIntosh, shop manager in the mill city.

The office is lined with vintage Gibson and Fender guitars, some handed down through generations.

But dozens of times each day, he also turns down offerings he doesn't think have as much re-

The following is a roundup of area news from Wednesday:

NURSING HOME COSTS:

Louisiana has the nation's least expensive nursing home care, with private room rates averaging \$127 per day, according to a survey by Northwestern Long Term Insurance Co.

Alaska was the most expensive at \$538 per day, the survey found. The national average was \$210 a day.

The survey concluded that long-term care expenses are like real estate; location is the most important factor.

STARMOUNT TIMETABLE: Starmount Life Insurance Co. AlwaysCare Benefits Inc. expects to complete the first phase of construction of its new corporate headquarters in early 2010, the company said Wednesday.

The first phase of the building, at Goodwood Boulevard and Connells Park Lane, will be 24,000 square feet and will accommodate 200 employees.

The second phase will add 21,000 square feet on the ground floor. The third phase will add a second floor of 45,000 square feet.

Starmount/AlwaysCare manages more than \$60 million of in-force premiums.

In 2008, the company experienced double-digit growth and ended the year with record profits.

Major investments in infrastructure, capacity, technology and people will allow the company to continue to grow and expand at its current rate, according to the company.

NEW OMNI PRESIDENT: Kyle Walters, a former Baton Rouge banking executive, has been tapped to be president of Omni Bank, of Metairie, and lead its 16 branches across Louisiana — including one in Baton Rouge.

Community Funds for the Arts.

Omni has \$735 million in assets and about 300 employees.

STONE ENERGY LOSS: Independent petroleum producer Stone Energy Corp. blamed a \$1.3 billion fourth-quarter loss on a downgrade of the value of its oil and gas properties and the value of its company name.

The company took an \$850 million noncash charge after taxes for the writedown on its reserves and a \$466 million noncash impairment of good will. Federal accounting rules require such writedowns.

Stone also said the fourth quarter included reduced production — an effect of the September hurricanes in the Gulf of Mexico, along with lower oil prices.

For the quarter ending Dec. 31, the loss translated to \$33.40 per share on revenue of \$166.1 million. For the fourth quarter of 2007, Stone earned \$64.9 million, or \$2.33 per share, on revenue of \$201.6 million.

Analysts surveyed by Thomson Reuters, on average had expected a loss for the latest quarter of 39 cents per share, on revenue of \$155.2 million. Those forecasts typically do not include one-time items.

BIZZUKA BLOG: Bizzuka Inc., of Lafayette, a provider of component-based Web and intranet-based solutions, said its new video series, "Nine Ways to Maximize Your Marketing Dollars during the Recession," has been picked up by Dell and will be syndicated on the computer maker's small business blog.

"News of this came as a pleasant surprise," Bizzuka CEO John Munsell said. "While we hoped the series ... would receive wide distribution, we never anticipated it getting the attention of a company the size of Dell."