Asian stocks and U.S. equity-index futures slid and the euro snapped a five-day advance against the dollar before European leaders hold a summit tomorrow to discuss ways to contain the region's debt crisis. Industrial metals jumped, leading a rally in commodities.

The MSCI Asia Pacific Index decreased 0.2 percent at 3:03 p.m. in Tokyo. Standard & Poor's 500 Index futures retreated 0.3 percent and Euro Stoxx 50 Index contracts sank 0.7 percent. The euro traded 0.2 percent lower at $1.3895, while South Korea's won strengthened to a five-week high. Copper gained 1 percent, extending the biggest two-day rally since 2009. Rice climbed to the highest level in more than a month. The cost of insuring Asian debt from default decreased.

European leaders, who will hold a second summit in four days tomorrow, are seeking an agreement on bolstering the region's rescue fund, recapitalizing banks and providing debt relief to Greece to avoid contagion spreading to Italy and Spain. Boosting the effectiveness of European Financial Stability Facility will require further talks with investors as German lawmakers prepare to vote on its new powers, a European Union document showed.

“Clearly, the dominant factor is what’s happening in Europe,” said Angus Gluskie, who manages more than $350 million at White Funds Management in Sydney. There may be some “superficial optimism that some sort of deal might be reached. Underneath the surface, though, I think investors still have a lot of questions in the back of their minds and they are alert to risks.”

Stocks Slide

About three shares declined for every two that gained in MSCI's Asia Pacific Index, which earlier rose as much as 0.3 percent and declined as much as 0.2 percent. Japan's Nikkei 225 Stock Average lost 0.4 percent, Australia's S&P/ASX 200 Index dropped 0.8 percent and Hong Kong's Hang Seng Index climbed 0.5 percent.

S&P 500 futures signal the gauge may halt a three-day rally. Gains yesterday were helped by higher-than-estimated earnings at Caterpillar Inc. After the close of U.S. trading, Texas Instruments Inc. (TXN), the largest maker of analog semiconductors, forecast lower fourth-quarter sales than some analysts had estimated.

The euro fell 0.3 percent to 105.72 yen, also halting a five-day gain. The shared currency also weakened before reports that economists say will show deteriorating consumer confidence in Germany and France.

Europe Summit
German budget lawmakers are due to convene in Berlin today to begin scrutiny of two leveraging models for Europe’s bailout fund for indebted nations. The first would raise the European Financial Stability Facility’s capacity by insuring a fraction of countries’ funding requirements, a European Union document showed. The second combines capital from European and non-European public and private investors, according to the draft.

Tomorrow’s summit in Brussels follows an Oct. 23 meeting, where European leaders excluded a forced restructuring of Greece’s debt, keeping with the policy of encouraging bondholders to accept “voluntary” losses to help restore the country’s finances.

New Zealand’s dollar weakened 0.5 percent to 80.36 U.S. cents after Statistics New Zealand said consumer prices increased 0.4 percent in the third quarter from the previous three months, when they rose 1 percent. South Korea’s won climbed 0.5 percent to 1,129.16 per dollar.

The cost of insuring Asia-Pacific corporate and sovereign bonds against non-payment decreased, with the Markit iTraxx Australia index dropping five basis points to 177 basis points, Credit Agricole CIB prices show. That will be the lowest close since Sept. 16, according to data provider CMA.

**Copper, Rice**

Three-month copper climbed 1 percent to $7,714.25 a metric ton, following a two-day, 13 percent jump. Zinc gained 1.6 percent and aluminum climbed 0.6 percent, also extending two days of advances. An index of six primary metals traded in London surged 5.9 percent yesterday, extending the previous trading day’s 4.7 percent rally. The two-day gain was the steepest since October 2008.

Rice futures climbed as much as 2 percent to $17.56 per 100 pounds in Chicago, the highest level in more than a month, as flood damage to crops in Southeast Asia boosted prospects for U.S. exports. Oil for December delivery increased 0.3 percent to $91.55 a barrel on the New York Mercantile Exchange, near the highest close in almost 12 weeks.

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