

World shares edge up as Yen slides

European shares rose on Tuesday, while the Japanese yen slid to near a one-year low against the dollar after the Bank of Japan's moves towards ending years of massive monetary stimulus underwhelmed some investors.

European shares climbed 0.7% as investors drew comfort from resilient corporate earnings, providing some relief after Asian equities earlier lost ground on renewed fears over the prospects for the Chinese economy following weak manufacturing data.

Real estate and chemical stocks led the gains, though the STOXX 600 is nevertheless poised for its worst monthly performance since September 2022.

The MSCI world equity index, which tracks shares in 47 countries, was last up 0.1%. Wall Street futures gauges pointed to gains of 0.2%.

The yen fell 1.1% against the dollar to touch a session low of 150.76 as the central bank further loosened its grip on long-term interest rates by tweaking its so-called bond yield control policy (YCC).

Last week the yen fell to 150.78, its lowest since October 2022.

Analysts viewed the move by the central bank on Tuesday as a small step towards dismantling the long-running YCC policy.

But the yen fell as traders focused on the BOJ's dovish pledge to "patiently" maintain accommodative policy, and forecast inflation to slow back below 2% in 2025.

"The yen has come off - that's because markets were expecting more," said Close Brothers Asset Management Chief Investment Officer Robert Alster.

The yen also weakened further against the euro, with the single currency up 1.5% to a 15-year high of 160.64.

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