The dollar slipped from a five-week high against a basket of major currencies on Tuesday as market players locked in profits ahead of a series of U.S. economic data that could determine whether the Federal Reserve is ready to roll back its stimulus program.

While factors cited as a possible trigger for profit-taking were wide-ranging, from a sharp sell-off in Japanese government bonds and real estate investment trusts (REITs) to a media report on hedge funds' buying the euro, traders agree that they were just an excuse.

{loadposition content_adsense300}"The pace of the dollar's rise has been rapid so it is only natural to see counter-flows," said a senior trader at a Western bank.

The dollar index slipped 0.3 percent to 83.049, dropping further from a five week high of 83.438 hit on Friday, with resistance seen at its April high of 83.494.

Against the yen, the dollar dropped 0.5 percent in Asia to 101.39 yen, having pulled back from a 4 1/2-year high of 102.15 yen set on Monday.

Japanese Reits , which had surged on Japan's aggressive stimulus, tumbled to a 2 1/2-month low, which some traders speculate may have prompted investors to make up for the losses by taking profits elsewhere.

Also putting a brake on yen-selling is a spike in Japanese government bond yields, which reduces the relative attraction of foreign bonds for Japanese investors.

The 10-year JGB yield shot up to a nine-month high of 0.855 percent, having risen more than a quarter of one percentage point in the past three sessions.

The euro also gained 0.25 percent to $1.3005, edging away from five-week lows of $1.2935 hit on Friday.

Traders say a Financial Times report that hedge funds are no longer wary of a collapse in the euro may have helped to exaggerate price moves.

Still, on the whole, the greenback was underpinned by data showing U.S. retail sales unexpectedly rose in April as households bought automobiles, building materials and a range of other goods.

"The dollar/yen may be consolidating around 100-102.50 yen for now. But if upcoming U.S. economic data is strong, the dollar could pick up momentum again," said Hiroshi Maeba, head of FX trading at UBS in Tokyo.

This week will see a raft of U.S. data, including Wednesday's industrial production, housing starts and consumer prices on Thursday and consumer sentiment data on Friday.

The increase in core retail sales, coming on the heels of relatively strong job growth over the last three months, strengthened expectations the U.S. Federal Reserve could scale back its asset-buying program later this year.

Such views stood out as many of the world's other central banks are looking to loosen their policy, with the Bank of Japan just into one month of its massive two-year stimulus plan.

European Central Bank policymaker Ignazio Visco said on Monday the central bank may opt for negative deposit rates.

If the ECB did push its deposit rate into negative territory, banks would effectively be charged for parking spare cash they do not lend, and gives investors strong incentives not to hold euro cash.

With the Fed's possible exit from stimulus becoming a key focus, market players will be closely looking to comments from Fed speakers later this week.

Federal Reserve Bank of Philadelphia President Charles Plosser will be speaking at 0600 GMT (2 a.m. EDT). Chairman Ben Bernanke will deliver testimony on May 22 before the Joint Economic Committee of Congress.

The Australian dollar also rose 0.4 percent to $0.9995, though it stayed near a 11-month low of $0.9940 hit on Monday as the currency also faces headwinds from a fall in commodity prices.