How is asynchronous code executed in JavaScript?

When JavaScript encounters asynchronous code, it offloads the execution of that code to the browser's event loop. Asynchronous operations like fetching data from an API or waiting for a timer to complete, are handled by registering callback functions or using promises and the async/await syntax to manage the flow of data.

```javascript
async function fetchData() {
  try {
    let response = await fetch('https://api.example.com/data');
    let data = await response.json();
    console.log(data);
  } catch (error) {
    console.error('Error fetching data:', error);
  }
}
```