

<b>The Impact of Exchange Rate Liberalization on the Economics of the Tourism and Hotels Industry in Egypt</b>	
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### **Abstract**

In recent years, Egypt has witnessed many economic developments in all sectors, following the decision of the Egyptian Central Bank to liberalize the exchange rate of the Egyptian pound in 2016, leaving it to the supply and demand movement and giving flexibility to the banks operating in buying and selling foreign exchange. According to economists, there will be many positive and negative economic influences of this decision on all service sectors in Egypt including tourism and hotels. This research aims to analyze the impact of exchange rate liberalization on the economic performance of the tourism and hotel sectors in Egypt. A quantitative approach adopted to discuss the results of the study, which was collected through the distribution of a questionnaire on a sample of the managers of travel agencies category "A", as well as managers of 5-star hotels in Cairo. The study revealed several effects to liberalize the exchange rate on the economic performance of both travel agencies and 5-star hotels in Cairo by measuring the impact on several economic indicators such as sales, cost, labor, and tourism investment in Egypt. This study is important for tourism institutions in Egypt to benefit effectively from the liberalization of the exchange rate, as well as finding alternatives and solutions to overcome the negative economic effects it faces in the labor market as a result of this decision.

**Keywords:** Exchange Rate Liberalization; Economic Impacts; Travel Agencies; Hotels; Egypt.