



**Virgin Galactic announces its next test flight for the 4th of July - a positive test would almost certainly see the stock skyrocket! Now is the ideal time for those invested to top up.**

Virgin Galactic, ticker symbol SPCE, would certainly rally on the back of another positive test flight. The publicity and coverage are set to be massively bolstered by the fact that founder Sir Richard Branson is scheduled to be on board. In recent weeks I have had multiple conversations with investment industry professionals, and from these conversations I would comment that fund managers and traders alike are all awaiting confirmation on the publicly announced 4th of July test date.

But there are far more potential positive drivers here than Richard's presence on the flight; should Virgin Galactic successfully carry a full payload of six passengers and two pilots to space and complete all maneuvers, they will have completed what is likely the final task which will potentially see the granting of FAA approval. Should the company obtain their license in July it will be a significant plus for the business, and a fundamental change for the stock. An FAA licensed Virgin Galactic opens the door to a flood of additional institutional investors whom at present are restricted from making significant investment due to the additional risk of investing in a business prior to the issue of a license to carry paying passengers.

The Company and its stock would both certainly benefit from the global publicity should Richard's Virgin Galactic flight go without issue. Beating Jeff Bezos in the space race would just add to the potential media frenzy; Blue Origin is scheduled to take its next test flight on 20th July with Bezos onboard.

Virgin Galactic stock suffered a significant loss in recent months and desperately needed a change of market sentiment. The fall was the result of pushing back the test flight date scheduled for February to May. However, bad news is good news if you know how to use it; RIO 888 did not lose ground as I bought into the deluge and as a result banked gains by repositioning during the collapse. This requires a strong conviction, which can only come from knowledge of the reasons why the stock fell and more importantly, why the stock will most likely rally back. To underline this fact, from the date of the announcement made on February 12th Virgin Galactic's stock lost over 70% of its value, falling back to \$14.27 in mid-May, the collapse had created devastating losses for the less informed and many had cashed out.

Since then, SPCE has rallied back on the completion of what was a successful test flight on May 22nd. This leads me to my second point; even if they delay the flight on the 4th of July, this would be good news as the stock will almost certainly fall back, and we will buy in again. When they announce the new date for the test flight the stock will rally.

SPCE rallied 20% on the first trading day after its successful test flight and never looked back. It has since been trading in a daily uptrend, making consistently higher highs and higher lows. On June 9, the stock hit a high of \$38.65, before consolidating.

At present at \$21 to \$23; the bulls could get nervous. But with SPCE trading near 60% above that, the chances of falling through this less is likely in the near future. At the time of writing SPCE was trading above both the eight-day and 21-day exponential moving averages (EMAs) with the eight-day EMA

trending above the 21-day EMA; both of which are bullish indicators. The stock is also trading at over 30% above the 200-day simple moving average, this indicates overall sentiment in SPCE is bullish.

As for the bears, they would want to see the SPCE trading volume drop and for it to lose support of the eight-day EMA. In short, if the stock trades below \$32.82 it could revisit its next support down near the \$27.80 mark. I sold into the rally and banked gains for all invested feeling that the pending legal action might help drive the SPCE price down, so far, the stock has not reacted to the pending case and even the Fed's announcement did little to affect Virgin Galactic's rally. In my last report I stressed that \$27.50 represents the maximum price to commence any averaging back in exercise.

SPCE closed yesterday at \$36.80.

### Virgin Orbit Nears SPAC Merger

If this goes ahead then Virgin Orbit will be listed and as such will be tradable. With that RIO 888 will finally be able to add the stock to the holdings as initially planned.

Virgin Orbit, a satellite launch company owned by Sir Richard Branson's Virgin, could announce a SPAC (special purpose acquisition company) merger. This highly anticipated SPAC merger could be announced within the coming weeks. The company is 80% owned by the Virgin Group and 20% owned by Mubadala, the sovereign fund of Abu Dhabi.

Virgin Orbit launched 10 small satellites into space in January and is scheduled to launch more by the end of June. It was also interesting to see that Virgin Orbit received some positive momentum last week with the UK Prime Minister Boris Johnson posing in front of the company's launch rockets ahead of the G7 summit. Looking forward, Virgin Orbit has plans to launch satellites from locations in California, Guam, and Japan.

They have entered exclusive talks with NextGen Acquisition Corp II and Virgin Orbit may value the company at or around \$3 billion. Members may not be aware of the fact that Virgin Orbit was spun off from Virgin Galactic four years ago. I had mentioned this fact during the soft launch of RIO 888 which was held at Txoko restaurant in Jakarta and at that time I said that I had hoped that the company would be reunited with VG or become listed, as Virgin Orbit would definitely require the capital which the market can provide. Virgin Galactic also went public in a SPAC merger during 2019 and those who got into 888 early benefited from this with many seeing a gain in excess of 100% during the first year. It may also be of interest to know that NextGen Acquisition II is headed up by former Goldman Sachs banker George Mattson, who also serves on the board of directors for Virgin Galactic.

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