



MONTHLY PERFORMANCE, *NET OF FEES*

March 2021

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	3.12	13.97	10.66	--	--	--	--	--	--	--	--	--	30.05
2020	(7.28)	(8.74)	(34.61)	8.27	(5.65)	.89	(8.00)	1.94	(4.89)	13.78	19.51	7.41	(25.71)
2019	8.16	4.01	(5.55)	3.79	(4.79)	4.89	2.52	(6.57)	5.10	2.97	4.57	3.10	23.09
2018	1.13	(1.62)	1.28	.22	3.73	(.22)	(1.36)	.61	(3.10)	(10.40)	1.26	(14.87)	(22.36)
2017	1.64	2.13	(.06)	.20	(2.50)	3.19	(.14)	(1.09)	6.06	.65	2.82	(1.88)	11.26
2016	(7.38)	(3.72)	4.99	4.91	1.37	(1.60)	3.82	3.93	(.19)	(.09)	12.18	7.51	27.14
2015	(6.42)	4.57	6.43	(.79)	.27	3.23	2.19	1.66	1.61	3.54	4.42	.39	22.54
2014	(.43)	1.34	1.31	(3.39)	.85	1.52	(3.59)	1.08	(2.75)	8.94	(.52)	5.22	9.27
2013	4.58	.74	1.62	(1.65)	1.62	2.45	5.99	(2.10)	2.30	1.38	4.20	1.12	24.30
2012	2.42	.57	3.09	(1.01)	(2.59)	2.59	.06	1.98	3.12	.37	(.91)	2.49	12.67
2011	--	--	--	--	--	--	--	--	(.64)	3.05	.91	1.66	5.04

OVERVIEW:

US stocks moved higher again in March to end the 1st Q with strong performance on the heels of optimism over a fast economic recovery. The tech-heavy Nasdaq underperformed cyclical stocks as a spike in interest rates pressured shares of companies that led throughout last year. Financials have continued to benefit from a strong rotation back into value-oriented sectors and a steepening yield curve. The Iron Bay Fund outperformed the major financial indices with a +10.66% return for the month and +30.05% for the quarter.

The yield on the benchmark 10-year note jumped to a 14-month high and recorded its largest increase since 2016. Strong economic data and a \$1.9 trillion stimulus package raised inflation concerns, even as the Federal Reserve remained steadfast in their more dovish policy message, reiterating guidance to suggest that rates will remain low for an extended period and inflation (in their estimation) will be “transitory.” We would not be surprised to see yields continue to climb nearing 2%, given trillions in stimulus spending serving as a broad indicator of investor confidence. Policymakers raised their economic forecasts to reflect the strongest US GDP growth in nearly 40 years.

Bank valuations have strengthened with expectations of higher rates and reserve releases driving more favorable sentiment towards banks’ ability to increase profitability. Banks built substantial reserves in 2020 to combat an unprecedented increase in unemployment and closure of businesses due to the pandemic. The Federal Reserve took necessary steps to ensure the safety and soundness of the banking system by restricting an increase in buybacks and dividends for the nations largest institutions. Current commentary suggests these restrictions will be lifted in June alongside the current year stress tests.

Median price to tangible book value stands at 1.7x, even as loan growth has remained elusive and banks are flush with deposits. A strong backdrop for mortgage banking, wealth management and capital markets activity has helped the more diversified companies. The housing market has been strong in an otherwise grim environment, however, even if rates remain low, a shortage of supply and dramatically higher prices may taper enthusiasm for the time being.

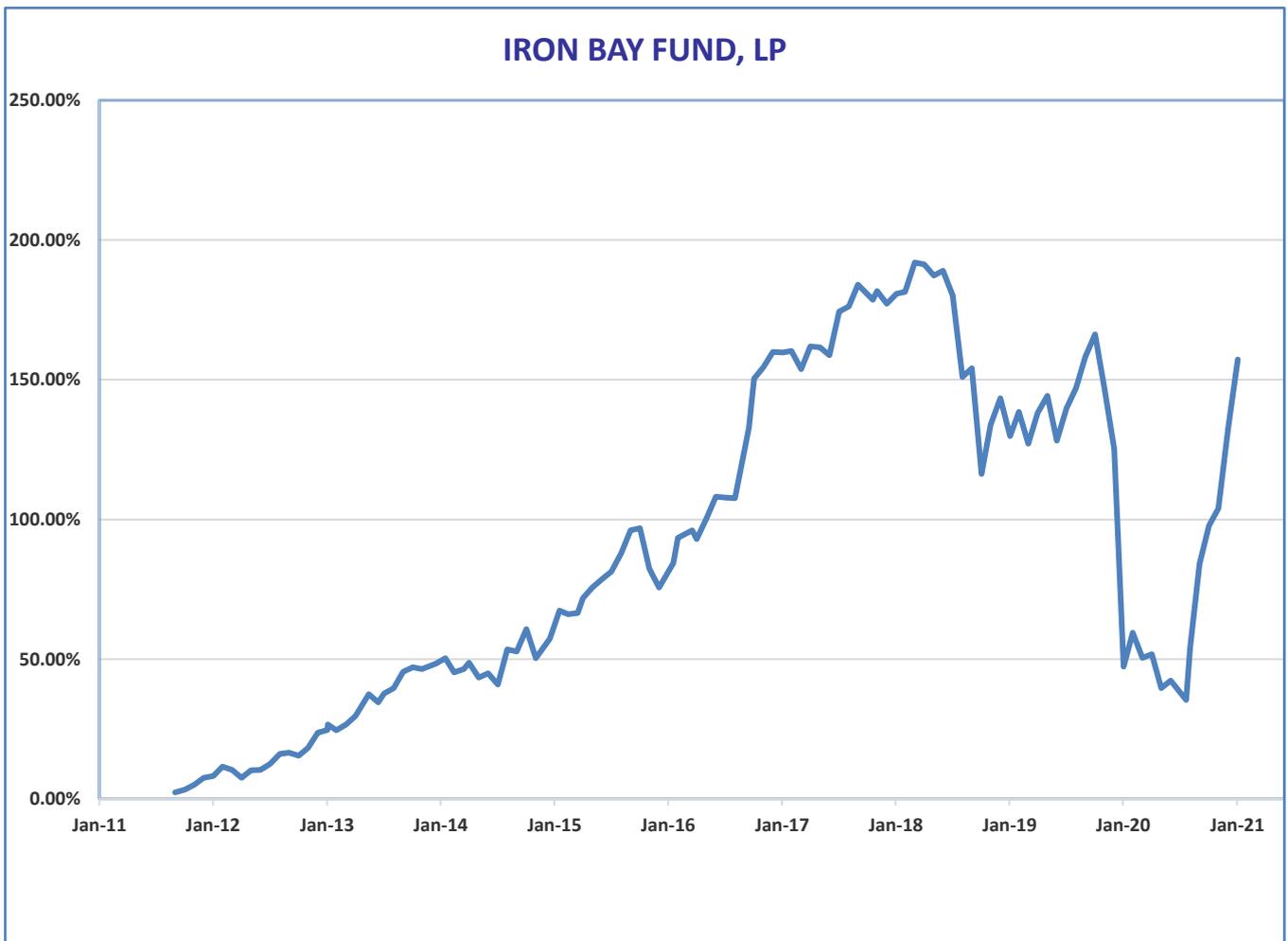


(continued)

M&A in 2020 was virtually nonexistent, and we are happy to see a moderate pickup in the first quarter of this year. In March, Banc of California (BANC) agreed to purchase Fund holding Pacific Mercantile Bancorp (PMBC) in an all-stock deal for approximately 1.47x tangible book value, a 15% premium to their previous day closing price. Analysts viewed the deal positively for BANC from a deal price, earn back and cost saving perspective (redundant footprints.)

Thank you for your continued support and interest in the Iron Bay Fund. If you have any questions, please contact us.

GRAPH:





RETURN DATA:

<i>Total Return Since Inception</i>	+157.55%
<i>Annualized Return from Inception</i>	+10.38%
<i>Average Monthly Return</i>	+1.01%
<i>Std. Deviation of Monthly Return</i>	+5.83%
<i>Sharpe Ratio Since Inception</i>	.48
<i>Beta Since Inception vs. S&P 500</i>	.61

	IRON BAY FUND, LP	NASDAQ BANK INDEX	RUSSELL 2000
<i>March 2021</i>	+10.66%	+5.71%	+.88%
<i>QTD 2021</i>	+30.05%	+27.83%	+12.44%
<i>Last 3Y (Annualized)</i>	(2.87%)	+3.79%	+13.23%
<i>Last 5Y (Annualized)</i>	+6.89%	+11.20%	+14.79%
<i>Inception (Annualized)</i>	+10.38%	+11.94%	+12.37%

*All Iron Bay Fund, LP returns are reported NET OF FEES.



SERVICE PROVIDERS & INVESTMENT TERMS

Fund Manager	Robert Bolton
Management Fee	1.75%
Performance Fee	20%
Lock Up	None
Redemptions	Quarterly with 60 Days Notice
Administrator	Virtus Partners
Auditor	KPMG
Prime / Custodian	TD Securities
Legal	Woods Oviatt Gilman, LLP

CONTACT INFORMATION

Iron Bay Capital

350 Linden Oaks
Suite 140
Rochester, NY 14625
(585) 348-9226

rbolton@ironbaycapital.com

www.ironbaycapital.com

Partnership Overview: Iron Bay Fund, LP is a limited partnership that focuses on investing in the securities of US domiciled, publicly traded financial services companies, particularly community banks. The Partnership has the ability to sell short securities and may utilize moderate leverage in an effort to enhance returns. Iron Bay Fund, LP seeks to invest in companies that have attractive valuations based on fundamentals, merger and acquisition opportunities, increasing dividend payouts and above average capital deployment opportunities. Investments are selected using in-depth fundamental research, supported by robust trading discipline and risk management techniques.

Past performance of the funds is no guarantee of future returns. The return data presented in our monthly letter is representative of our day-one investor returns. Specific investor returns may vary due to the time they came into the fund. This report is for informational purposes only and does not constitute an offer to sell or solicitation of an offer to buy limited partnership interests or shares. Offers can only be made via an offering memorandum, which is available to qualified investors. The respective offering memoranda include a more complete discussion of the various risk factors associated with an investment in the Fund. The limited partnership interests and shares, as applicable, of the Fund have not been registered under the Securities Act of 1933 or applicable state securities laws and are being offered and sold pursuant to an exemption available under such Act for securities issued in a private placement and corresponding provisions of state law. The information contained in this presentation is confidential, proprietary to Iron Bay Capital GP and may be used by the recipient for the sole purpose of considering an investment in the Iron Bay Fund LP.