



MONTHLY PERFORMANCE, NET OF FEES

November 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	.82	1.86	(3.71)	(7.55)	(.07)	(8.49)	5.20	(.28)	(3.56)	5.51	2.89	--	(8.17)
2021	3.12	13.97	10.66	1.51	5.78	(4.11)	(2.26)	1.65	3.13	3.81	(.81)	2.57	44.90
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:

The Iron Bay Fund returned +2.89% in November as banks posted modest gains. The overall market has now had two consecutive months of positive return as investors once again read through softer economic data in hopes the Fed may be less aggressive going forward. With mid-term elections now behind us, the focus has returned to inflation, geopolitical conflicts and interest rates.

Economic data was mixed in the month. A strong employment report at month-end would support continued nearer term rate hikes and no Fed pivot. The Fed is keenly aware of continued strong job growth and wages and the need to stay the course as the numbers remain elevated. Non-farm payrolls increased by 263,000 for the month versus a consensus call for only 200,000 with private payrolls increasing by over 220,000. According to Morgan Stanley economists, the monthly household survey showed another decline in labor force participation. With the participation rate down slightly in October, overall unemployment fell marginally to 3.67% from 3.68% the previous month. Wages came in solid, with average hourly earnings rising .60%. Average weekly hours dropped to 34.4 from 34.5 in the last few months. Again, these relatively stable/strong numbers lead us to believe rates will continue to rise with estimates for a .50% bump up in December to finish the year.

The yield curve inversion marked a new extreme in the month, to a level not seen in decades. This measure has generally been an accurate indicator of a continued recession. As earnings growth stalls and the economy slows, it is very possible that we enter a mild recession in 2023. A rising rate environment, in general, is positive for the banking sector. However, margins have come under pressure as deposit costs have risen sharply and deposits have been influx. Additionally, banks have tightened underwriting standards in preparation for a potentially difficult period ahead.

M&A deal volume has been muted. In November, there were 11 transactions announced, bringing the year-to-date total to 150. The average price to tangible book value on these deals was 1.55x. One deal of note the Fund participated in, Luther Burbank Corp. (LBC) agreed to be acquired by Washington Federal (WAFD). The pricing on the deal was somewhat disappointing and not what we have historically seen on deals for a California bank.

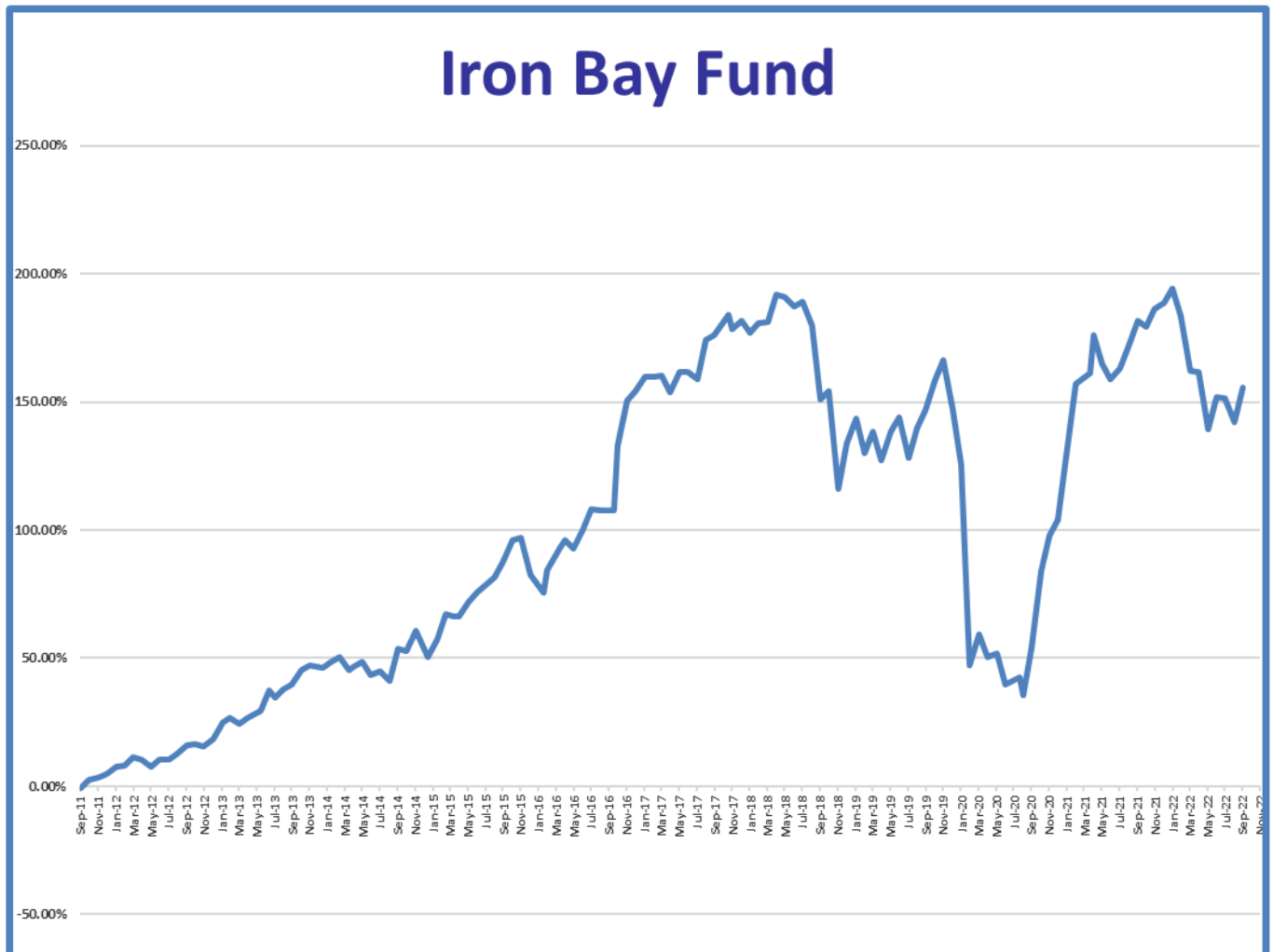
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Upon merger completion the combined entity will have approximately \$29 billion in total assets, \$23 billion in total loans and \$22 billion in total deposits across 210 locations in Washington, California, Oregon, Idaho, Utah, Nevada, Arizona, Texas and New Mexico, with approximately 2,400 full-time employees. We are considering remaining owners of WAFL.

As we enter December, we expect volatility will remain heightened until we are more certain of when the Fed may pause their tightening campaign. We may see a soft landing for the economy in 2023 if inflation cools enough to have rates moderate. We expect given the difficult operating environment, 2022 will lead to further conversations inside the board room about partnering and M&A transactions as a means to grow and operate more efficiently.

If you would like to learn more about the Iron Bay Fund, please let us know. We appreciate your interest in the Fund.

HISTORICAL GRAPH:



RETURN DATA:

<i>Total Return Since Inception</i>	+163.51%
<i>Annualized Return from Inception</i>	+8.99%
<i>Average Monthly Return</i>	+ .89%
<i>Std. Deviation of Monthly Return</i>	+5.60%
<i>Sharpe Ratio Since Inception</i>	.43
<i>Beta Since Inception vs. S&P 500</i>	.60

	IRONBAY FUND, LP	NASDAQ BANK INDEX	RUSSELL 2000
<i>November 2022</i>	+2.89%	+ .77%	+2.15%
<i>Year-to-Date</i>	(8.17%)	(12.00%)	(15.98%)
<i>Last 12 Months</i>	(5.82%)	(9.32%)	(14.20%)
<i>Last 3Y (Annualized)</i>	+ .63%	+4.33%	+5.11%
<i>Last 5Y (Annualized)</i>	(1.51%)	+1.40%	+4.09%
<i>Inception (Annualized)</i>	+8.99%	+9.70%	+8.86%

* Iron Bay Fund, LP returns are reported net of all 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 U.S. 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.