



MONTHLY PERFORMANCE, NET OF FEES

January 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024	(5.00)	--	--	--	--	--	--	--	--	--	--	--	(5.00)
2023	2.91	.50	(19.28)	(8.10)	(10.03)	6.10	17.36	(7.36)	(5.42)	(4.06)	9.62	17.28	(7.11)
2022	.82	1.86	(3.71)	(7.55)	(.07)	(8.49)	5.20	(.28)	(3.56)	5.51	2.89	(5.86)	(13.55)
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:

After a very strong 2023 finish, the banking sector struggled to start the new year. A more hawkish Fed caught investors off guard as the probability of a March rate cut is now very low. Fed member Neel Kashkari suggested that there may be only 2 or 3 cuts in the year, a far cry from the 6 to 7 currently built into assumptions.

In January, economic numbers were generally more positive than expected. After the fastest rate hiking campaign in many years, unemployment remains low and job growth appears to be strong. Barron's reported, "4th quarter economic numbers were incredible. It isn't a question of being too hot or cold, it's an impossible dream coming true." A majority of analysts continue to underestimate the data and traders have had to adjust accordingly. All through 2023, predictions were for an imminent recession, but investors are now backing away from that thought and taking a wait-and-see approach before putting fresh capital to work.

Consumers continue to spend and are using their savings to do it. Personal savings levels were a reported \$818.9 billion in the fourth quarter, down (3.8%) from the third quarter. The savings rate slipped to 4% from 4.2%.

Fourth quarter bank earnings were mixed. Higher deposit costs continue to pressure margins and loan loss provisioning increased. Most banks did see improvements in AOCI and generally speaking, expenses were contained. Unfortunately, lower than usual origination volumes have stalled enthusiasm overall. Loss-provisioning and capital remains a focus for bank management teams. Understandably, going forward there will be a focus on consumer credit card defaults and commercial real estate re-pricing.

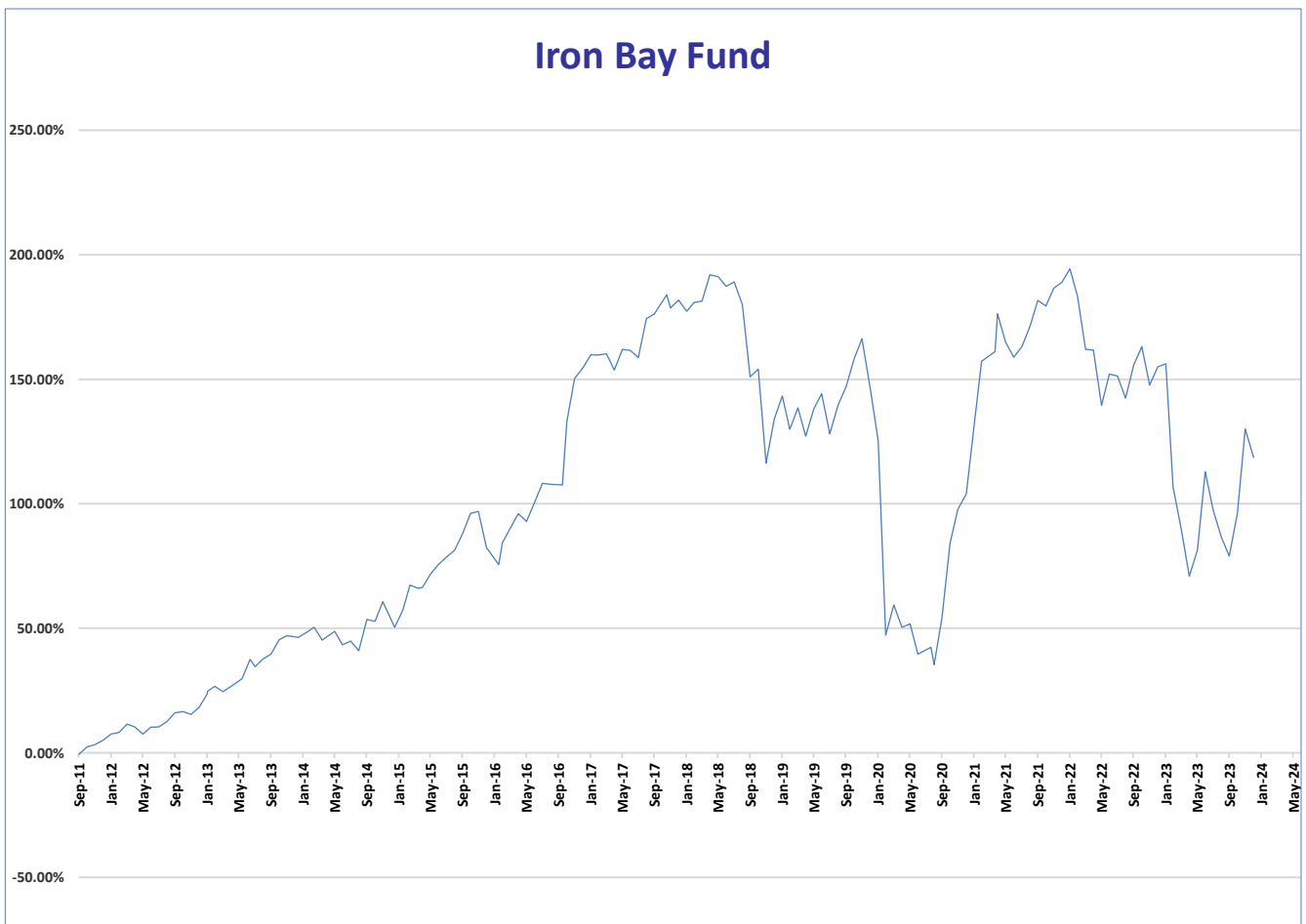


(continued)

Commercial real estate portfolios are an overhang for community banks as there is concern in some markets. We would expect some loans are going to go bad in specific markets as property values decline. As a result of higher interest rates and an increase in the remote workforce there will be reasonable stress to the system. In addition to updated appraisals coming in weaker, new bank regulations are requiring banks to carry more capital to safeguard riskier assets. A great debate continues on the topic of- how much is too much?

Unlike in 2008 when there was fear of systemic issues with sub-prime borrowers, this time commercial real estate issues seems more controlled. Fed Chair Powell has tried to reassure the street by saying this is a “manageable problem.” He also suggested that some institutions would have to be merged or closed outright because of exposure levels and liquidity issues.

Until the regulators and governing bodies start working on clearer and consistent messaging, the market swings will continue. We are encouraged by the comments that there needs to be more consolidation, as we believe a tremendous buildup in merger opportunities exists. If you would like to arrange a call to hear more about our outlook for 2024, please contact us.





RETURN DATA:

<i>Total Return Since Inception</i>	+118.91%
<i>Annualized Return from Inception</i>	+6.51%
<i>Average Monthly Return</i>	+0.73%
<i>Std. Deviation of Monthly Return</i>	+6.18%
<i>Sharpe Ratio Since Inception</i>	.25
<i>Beta Since Inception vs. S&P 500</i>	.56

	IRON BAY FUND, LP	NASDAQ BANK INDEX	RUSSELL 2000
<i>January 2024</i>	(5.00%)	(3.91%)	(3.93%)
<i>Last 12 Months</i>	(14.25%)	(13.99%)	+0.80%
<i>Last 3Y (Annualized)</i>	+2.34%	(.61%)	(2.07%)
<i>Last 5Y (Annualized)</i>	(1.35%)	(0.00%)	+5.37%
<i>Inception (Annualized)</i>	+6.50%	+7.15%	+8.27%

* 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	FIS Global/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.