IQ® 130/30 Index - U.S. Equity

Fact Sheet: 12/31/2009

Bloomberg Symbol: IQ13030

Index Strategy

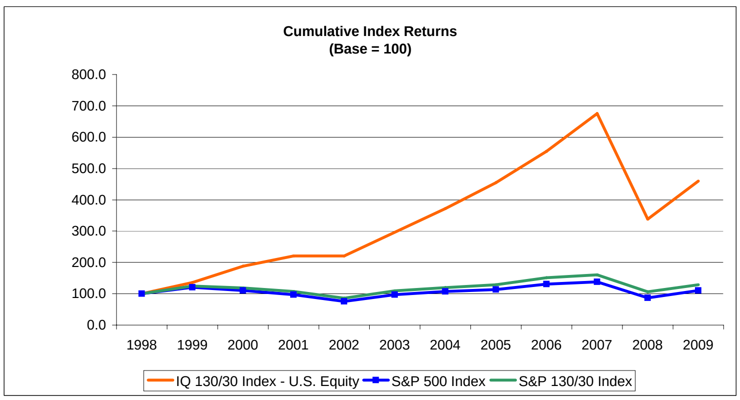
The IQ 130/30 Index - U.S. Equity product seeks to achieve long-term capital appreciation. The Index employs fundamental factors to select U.S. stocks with a target long exposure of 130% of the portfolio and a matching short exposure of 30%. The Index is constructed using a quantitative, multi-factor model that leverages the alpha generated by a customized quantitative model combined with the controlled use of short positions to enhance the risk-adjusted returns of the Index. IndexIQ employs both value and growth factors to achieve a balanced Index consistent with a core investment style.

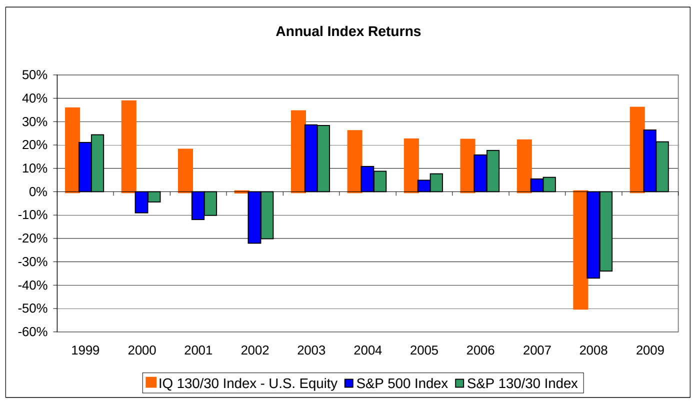
IndexIQ products are based on a patent-pending construction process that utilizes sophisticated quantitative research, multi-factor fundamental models, and a proprietary non-market capitalization weighting system. IndexIQ products bridge the gap between traditional passive indexes and actively managed funds by retaining the rules based methodologies, tax efficiency and low cost of index investing, while generating the alpha sought after by the best active managers.

Index Performance*

Annualized Returns	1 year	3 year	5 year	10 year
IQ 130/30 Index - U.S. Equity	35.7%	-6.1%	4.3%	13.0%
S&P 500 Index	26.5%	-5.6%	0.4%	-0.9%
S&P 130/30 Index	21.4%	-5.3%	1.5%	0.3%

Annual Returns	2009	2008	2007	2006	2005	2004	2003
IQ 130/30 Index - U.S. Equity	35.7%	-49.9%	21.8%	22.0%	22.1%	25.7%	34.3%
S&P 500 Index	26.5%	-37.0%	5.5%	15.8%	4.9%	10.9%	28.7%
S&P 130/30 Index	21.4%	-34.0%	6.1%	17.7%	7.7%	8.8%	28.3%





10-Year Index Performance Consistency Analysis vs. S&P 500 Index & S&P 130/30 Index (as of 12/31/09)

Number of Years Above S&P 500 Index	9/10	Number of Positive Years - IQ 130/30 Index	8/10
Average Annual Return Above S&P 500 Index	18.7%	Number of Positive Years - S&P 500 Index	6/10
Number of Years Above S&P 130/30 Index	9/10	Number of Positive Years - S&P 130/30 Index	6/10
Average Annual Return Above S&P 130/30 Index	18.0%		
Number of Years Below S&P 500 Index	1/10	Number of Negative Years - IQ 130/30 Index	2/10
Average Annual Return Below S&P 500 Index	-12.9%	Number of Negative Years - S&P 500 Index	4/10
Number of Years Below S&P 130/30 Index	1/10	Number of Negative Years - S&P 130/30 Index	4/10
Average Annual Return Below S&P 130/30 Index	-15.9%		

*Performance information prior to April 30, 2008 is based on a hypothetical backtest based on rules used in the creation of the Index, is not a guarantee of future performance and is not indicative of any specific investment. Actual results may differ. Indexes are not managed investment products and cannot be invested in directly. The illustrations and performance-related data do not represent the performance of any particular investment. Performance data for the Index assumes reinvestment of dividends and is net of the management fees of Index components, as applicable, but does not reflect any management fees, transaction costs or other expenses that would be incurred by a fund, or brokerage commissions on transactions in a fund's shares. **Past performance does not guarantee future results.** Benchmark returns are total returns. Sources: IndexIQ, FactSet, Bloomberg and S&P Custom Index Calculation.

IQ® 130/30 Index - U.S. Equity

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Basic Facts[1]

Bloomberg Symbol: IQ13030

	Long	Short
Number of Components	97	58
Reconstitution Frequency	Annual	Quarter
Largest Weight	4.00%	-1.51%

Maximum Market Capitalization	$165.38 bn
Minimum Market Capitalization	$1.17 bn
Weighted Avg. Market Capitalization	$20.12 bn
Median Market Capitalization	$3.99 bn
Turnover	116.7%

Index Statistics[1]

10-Year Index Statistics	IQ 130/30 Index - U.S. Equity	S&P 500 Index	IQ 130/30 Index - U.S. Equity	S&P 130/30 Index
Alpha	13.58%	N/A	12.64%	N/A
Sharpe Ratio	0.607	-0.146	0.607	-0.084
Volatility	18.76%	16.13%	18.76%	15.00%
R-Squared	0.67	1.00	0.67	1.00
Beta	0.95	1.00	1.02	1.00

Index Composition[1]

IQ 130/30 Index - U.S. Equity
Sector Analysis

Sector	Long Weight (%)	Short Weight (%)	Net Weight (%)
Consumer Discretionary	25.68%	-5.60%	20.08%
Health Care	24.86%	-5.13%	19.73%
Consumer Staples	16.71%	-1.89%	14.82%
Information Technology	13.77%	-0.69%	13.08%
Industrials	11.23%	-1.96%	9.27%
Telecommunication Services	9.75%	-1.87%	7.87%
Materials	9.49%	-2.07%	7.42%
Utilities	7.99%	-1.15%	6.84%
Financials	6.00%	-8.16%	-2.16%
Energy	3.05%	0.00%	3.05%

IQ 130/30 Index - U.S. Equity
Top 10 Long Holdings

Name	Ticker	Weight (%)
Schwab, Charles Corp	SCHW	4.00%
Yum! Brands Inc	YUM	3.66%
AT&T Inc	T	3.63%
Medco Health Solutions Inc	MHS	3.57%
AutoZone Inc	AZO	3.43%
Paychex Inc	PAYX	3.29%
DIRECTV Class A	DTV	2.86%
American Tower Corp A	AMT	2.85%
AmerisourceBergen Corp	ABC	2.38%
Stryker Corp	SYK	2.35%

IQ 130/30 Index - U.S. Equity
Top 10 Short Holdings

Name	Ticker	Weight (%)
Las Vegas Sands	LVS	-1.51%
Alcoa Inc	AA	-1.43%
Ameriprise Financial Inc	AMP	-1.28%
Integrys Energy Group Inc	TEG	-1.15%
Loews Corp	L	-1.12%
SLM Corp	SLM	-0.97%
SBA Communications Corp	SBAC	-0.97%
Constellation Brands Inc A	STZ	-0.95%
Smithfield Foods Inc	SFD	-0.94%
Crown Castle Intl Corp	CCI	-0.91%

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[1] Statistics are annualized based on monthly returns for period ending as of the date of this fact sheet and are relative to benchmark, as applicable. Source: FactSet, Bloomberg and S&P Custom Index Calculation.

Alpha is a measure of a portfolio's actual excess returns and expected performance, given its level of risk (as measured by Beta).
Sharpe Ratio is a measure of a portfolio's risk-adjusted performance (excess return per unit of risk).
Volatility is a measure of the range of a portfolio's performance, meaning the degree to which it rises above and falls below its average return.
R-Squared is a measure of how closely performance can be explained by the performance of the benchmark index (in this case, how closely performance correlates with the S&P 500 and S&P 130/30 Indexes, as applicable).
Beta reflects the sensitivity of a portfolio's return to fluctuations in the market (in this case, as measured by the S&P 500 and S&P 130/30 Indexes, as applicable).