



FOR IMMEDIATE RELEASE

**IQ ALPHA HEDGE STRATEGY FUND ADDED TO
FIDELITY INVESTMENTS MUTUAL FUND PLATFORM**

*First No-Load, Open-End Mutual Fund Designed to Replicate
Hedge Fund Performance Characteristics Now Available to Fidelity Advisors*

NEW YORK, (May 4, 2009) – The IQ ALPHA Hedge Strategy Fund has been added to the Fidelity Investments mutual fund platform, it was announced today.

The IQ ALPHA Hedge Strategy Fund is the first no-load, open-end mutual fund to bring hedge fund-style investing to retail investors. It seeks to deliver hedge fund-like performance with lower costs, higher transparency and increased liquidity for shareholders. The no-transaction fee Investor Class Fund is available through Fidelity Investments with a minimum required investment for first-time shareholders of \$2,500. The Institutional Class Fund is available with a minimum aggregated investment of \$250,000.

“The extraordinary market volatility investors have experienced serves to highlight the positive role alternative asset classes can play in providing portfolio diversification,” said Adam Patti, chief executive officer at IndexIQ. “Our goal is to make these strategies available to Registered Investment Advisors and retail investors through products that are transparent and cost-efficient. The addition of the IQ ALPHA Hedge Strategy Fund to the Fidelity Investments platform is a significant step forward in reaching this broader market.”

IndexIQ also recently launched the first-ever U.S. listed hedge fund replication exchange-traded fund (ETF). The IQ Hedge Multi-Strategy Tracker ETF (NYSE Arca: QAI) seeks broad hedge fund returns with low volatility and low correlation to equity markets, providing a liquid, transparent, low cost,* hedge fund alternative. The ETF, one of many Alternative Investment ETFs IndexIQ plans to launch, seeks to replicate, before fees and expenses, the returns of the IQ Hedge Multi-Strategy Index. The Index is designed to capture the risk-adjusted return characteristics of the collective hedge fund universe using multiple hedge fund investment styles, including long/short equity, global macro, market neutral, event-driven, fixed income arbitrage, and emerging markets.

The Funds are not suitable for some investors; see below for important information about the Funds' investment strategies, risks, and expenses.

About IndexIQ

Based in Rye Brook, New York, IndexIQ is the leading developer of index-based alternative investment solutions that combine the benefits of traditional index investing with the risk-adjusted return potential sought by the best active managers. The company's philosophy is to democratize investment management by making institutional class investment strategies available to all investors in low cost, liquid, transparent and tax-efficient products. IndexIQ strategies are marketed through the company's proprietary investment products and select partnerships with leading global financial institutions. Additional information about the company and its products can be found at www.indexiq.com.

*Ordinary brokerage commissions apply.

Investment Strategy and Operating History

The IQ ALPHA Hedge Strategy Fund (IQ Fund) and the IQ Hedge Multi-Strategy Tracker ETF (IQ ETF) are not hedge funds and do not invest in hedge funds. The IQ Fund is a registered open-end mutual fund that invests in exchange-traded funds (ETFs) and similar securities in an attempt to replicate the performance characteristics of certain hedge fund investing styles, but with less cost, more liquidity, and greater portfolio transparency than traditional hedge funds. The Funds are new, with limited historical performance data. There can be no assurance that the Funds' investment strategies will be successful.

Risks of the IQ Fund

Investors are reminded that all mutual fund and ETF investing involves risk, including possible loss of principal. *The IQ Fund should be considered a high-risk investment due to its use of leverage, short-selling and derivatives, all of which may amplify the volatility of the Fund's share price. Accordingly, the IQ Fund should not be considered a complete investment program, nor suitable for all investors.* Investors should read the Funds' prospectuses carefully for a more complete description of the Funds' risks.

Charges and Expenses of the IQ Fund

While it is a no-load fund, other fees and charges do apply to an investment in the IQ Fund. An investor in the IQ Fund will bear the operating expenses of the underlying ETFs and related securities in which the Fund invests. The IQ Fund's total annual operating expenses are estimated to be 1.64% for Investor Class and 1.39% for Institutional Class.¹ The IQ Fund will also assess a 2.00% redemption fee on shares redeemed within 7 days of purchase.

¹These figures are after fee waivers and expense reimbursements by the IQ Fund's investment adviser and include the operating expenses of underlying ETFs and similar securities. The investment adviser has contractually agreed to waive fees or reimburse expenses so that the IQ Fund's total annual operating expenses do not exceed 1.15%, not including distribution fees, underlying ETF expenses, and certain other expenses. The expense limitation ends on April 30, 2010, at which time the limitation may be renewed, terminated or revised. Without the expense limitation, the IQ Fund's total annual operating expenses are estimated to be 1.95% for Investor Class and 1.70% for Institutional Class.

Risks of the IQ ETF

The IQ ETF's investment performance, because it is a fund of funds, depends on the investment performance of the underlying ETFs in which it invests. There is no guarantee

that the IQ ETF itself, or each of the ETFs in the Fund's portfolio, will perform exactly as its underlying index. The IQ ETF is non-diversified and is susceptible to greater losses if a single portfolio investment declines than would a diversified mutual fund. The IQ ETF's underlying ETFs invest in: foreign securities, which subject them to risk of loss not typically associated with domestic markets, such as currency fluctuations and political uncertainty; commodities markets, which subject them to greater volatility than investments in traditional securities, such as stocks and bonds; and fixed income securities, which subject them to credit risk – the possibility that the issuer of a security will be unable to make interest payments and/or repay the principal on its debt – and interest rate risk – changes in the value of a fixed-income security resulting from changes in interest rates. Leverage, including borrowing, will cause some of the IQ ETF's underlying ETFs to be more volatile than if the underlying ETFs had not been leveraged.

Consider the Funds' investment objectives, risks, charges and expenses carefully before investing. A prospectus with this and other information about the Funds may be obtained by visiting www.indexiq.com or by calling (888) 934-0777. Read the prospectus carefully before investing.

The IQ Fund is distributed by PFPC Distributors, Inc. (PFPC). The IQ ETF is distributed by ALPS Distributors, Inc., which is not affiliated with PFPC or IndexIQ or the IQ ALPHA Hedge Strategy Fund's investment advisor. Adam Patti is a registered representative of ALPS Distributors, Inc.

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