



## **FOR IMMEDIATE RELEASE**

### **INDEXIQ'S IQ REAL RETURN ETF MARKS ONE-YEAR ANNIVERSARY**

*First U.S.-listed real return ETF designed to provide a hedge against inflation; Invests in diverse asset classes including equities, currencies, commodities, fixed income & real estate*

RYE BROOK, New York, (November 11, 2010) – The IQ Real Return ETF (NYSE Arca: CPI), the first U.S.-listed real return Exchange-Traded Fund (ETF), marked its one-year anniversary on October 27, 2010, it was announced today by the fund's sponsor, IndexIQ.

The IQ Real Return ETF (CPI) seeks investment results that correspond, before fees and expenses, to the price and yield performance of the IQ Real Return Index. The Index seeks to provide a hedge against the U.S. inflation rate by providing a “real return” or a return above the rate of inflation, as represented by the Consumer Price Index, which is published by the Bureau of Labor Statistics and is a measure of the average change in prices over time of goods and services purchased by households. IndexIQ utilizes a proprietary rules-based methodology to construct the underlying CPI index, which is comprised primarily of liquid securities that represent asset classes affected by changes in inflation such as equities, fixed income, commodities, currencies, and real estate. The resultant portfolio more dynamically reflects the impact of inflation than many traditional instruments, including Treasury Inflation Protected Securities (TIPS), Real Estate Investment Trusts (REITS), and gold.

“While inflation has been subdued for the last several years, there are a number of factors that suggest it may again become an important consideration for investors,” said Adam Patti, chief executive officer at IndexIQ. “Increases in prices for raw materials and agricultural products may be passed along to consumers, while the Federal Reserve's ‘quantitative easing’ program is intended in part to drive up inflation. The IQ Real Return ETF provides a dynamic, low volatility way to help protect against an increase in overall price levels.”

IndexIQ products are designed to be liquid, transparent, low cost, and accessible to a broad range of investors.\* The company's investment products include ETFs, mutual

funds, and institutional accounts. Many of these are the first of their kind to be introduced to the market and include:

- **IQ Alpha Hedge Strategy Fund (IQHIX – Institutional Share Class; IQHOX – Investor Share Class)**, the first open-end, no-load hedge fund replication mutual fund;
- **IQ Hedge Multi-Strategy Tracker ETF (NYSE Arca: QAI)**, the first US-listed hedge fund replication Exchange-Traded Fund;
- **IQ Global Resources ETF (NYSE Arca: GRES)**, the first hedged global natural resources ETF;
- **IQ Merger Arbitrage ETF (NYSE Arca: MNA)**, the first merger arbitrage ETF;
- **IQ Hedge Macro Tracker ETF (NYSE Arca: MCRO)**, the first Global Macro/Emerging Markets hedge fund replication ETF;
- **IQ Real Return ETF (NYSE Arca: CPI)**, the first US-listed “real return” ETF, which seeks to generate a real return above the rate of inflation as measured by changes in the Consumer Price Index;
- **IQ Canada Small Cap ETF (NYSE Arca: CNDA)**, the first Canada small cap ETF;
- **IQ Australia Small Cap ETF (NYSE Arca: KROO)**, the first Australia small cap ETF;
- **IQ South Korea Small Cap ETF (NYSE Arca: SKOR)**, the first South Korea small cap ETF;
- **IQ Taiwan Small Cap ETF (NYSE Arca: TWON)**, the first Taiwan small cap ETF.

\* IndexIQ's ETF holdings are available daily on IndexIQ's website. Brokerage commissions apply to ETFs. ETFs are liquid in that they are exchange-traded.

### **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 innovative alternative 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](http://www.IndexIQ.com).

Index performance does not reflect charges and expenses associated with the Funds or brokerage commissions associated with buying and selling ETF shares. One cannot invest directly in an index. Volatility is the standard deviation or measure of the range of a portfolio's performance, meaning the degree to which it rises above and falls below its average return.

Investors are reminded that all investing involves risk, including possible loss of principal. IQ Real Return ETF (the "CPI ETF"): The CPI 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 CPI ETF itself, or each of the ETFs in the CPI ETF's portfolio, will perform exactly as its underlying index. The CPI ETF is non-diversified and is susceptible to greater losses if a single portfolio investment declines than would a diversified mutual fund. The CPI 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. Loss may result from the imposition of exchange controls, confiscations and other government restrictions. Foreign risks will normally be greater when the CPI ETF invests in emerging markets. Leverage, including borrowing, will cause some of the CPI ETF's underlying ETFs to be more volatile than if the underlying ETFs had not been leveraged.

*ETFs should be considered speculative investments entailing a high degree of risk, are not suitable for all investors and do not represent a complete investment program.*

*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](http://www.indexiq.com) or by calling (888) 934-0777. Read the prospectus carefully before investing.*

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