



IndexIQ Announces Capital Gains and Income 2011 Distributions for the IndexIQ Exchange-Traded Funds

RYE BROOK, New York, (December 29, 2011) - IndexIQ, a leading developer of index-based alternative investment solutions, is pleased to provide the following information, which summarizes the 2011 annual dividends and capital gain distributions for IndexIQ ETFs. Rates are listed below:

Ticker	Fund	Ordinary Income Distribution (\$/share)	Short Term Gain Distribution (\$/share)	Long Term Gain Distribution (\$/share)	Total Gain Distribution (\$/share)	Record Date	Ex-Date	Pay Date
ETFs								
QAI	IQ Hedge Multi-Strategy Tracker ETF	0.371	0.000	0.000	0.371	12/30/2011	12/28/2011	1/4/2012
MCRO	IQ Hedge Macro Tracker ETF	0.269	0.000	0.000	0.269	12/30/2011	12/28/2011	1/4/2012
CPI	IQ Real Return ETF	0.000	0.000	0.054	0.054	12/30/2011	12/28/2011	1/4/2012
GRES	IQ Global Resources ETF	0.204	0.334	0.000	0.538	12/30/2011	12/28/2011	1/4/2012
MNA	IQ Merger Arbitrage ETF	0.000	0.000	0.000	0.000	12/30/2011	12/28/2011	1/4/2012
CNDA	IQ Canada Small Cap ETF	0.308	0.000	0.000	0.308	12/30/2011	12/28/2011	1/4/2012
KROO	IQ Australia Small Cap ETF	1.766	0.778	0.072	2.617	12/30/2011	12/28/2011	1/4/2012
SKOR	IQ South Korea Small Cap ETF	0.105	0.411	0.000	0.516	12/30/2011	12/28/2011	1/4/2012
CROP	IQ Global Agribusiness Small Cap ETF	0.207	0.000	0.000	0.207	12/30/2011	12/28/2011	1/4/2012
IOIL	IQ Global Oil Small Cap ETF	0.124	0.000	0.000	0.124	12/30/2011	12/28/2011	1/4/2012
ROOF	IQ U.S. Real Estate Small Cap ETF	0.315	0.000	0.000	0.315	12/30/2011	12/28/2011	1/4/2012
EMER	IQ Emerging Markets Mid Cap ETF	0.234	0.000	0.000	0.234	12/30/2011	12/28/2011	1/4/2012

IndexIQ is pleased to note that, as set forth above, only four of the IndexIQ ETFs will pay capital gains distributions in 2011 and for the third year in a row neither of IndexIQ's hedge fund replication or "alternative beta" ETFs (IQ Hedge Multi-Strategy Tracker ETF and IQ Hedge Macro Tracker ETF) will pay capital gains distributions. One of the unique advantages of the ETF structure over a typical hedge fund is that it helps minimize the tax burden through the ETF creation and redemption process. This contrasts significantly with certain other investment vehicles, most notably hedge funds, which typically are tax inefficient and often generate significant short-term capital gains. This tax burden of hedge funds can dramatically reduce their real returns. Investors should consider the tax impact of all investment options.

IndexIQ ETFs include:

- IQ Hedge Multi-Strategy Tracker ETF (NYSE Arca: QAI)
- IQ Hedge Macro Tracker ETF (NYSE Arca: MCRO)
- IQ Real Return ETF (NYSE Arca: CPI)
- IQ Global Resources ETF (NYSE Arca: GRES)
- IQ Merger Arbitrage ETF (NYSE Arca: MNA)
- IQ Canada Small Cap ETF (NYSE Arca: CNDA)
- IQ Australia Small Cap ETF (NYSE Arca: KROO)
- IQ South Korea Small Cap ETF (NYSE Arca: SKOR)
- IQ Global Agribusiness Small Cap ETF (NYSE Arca: CROP)
- IQ Global Oil Small Cap ETF (NYSE Arca: IOIL)
- IQ US Real Estate Small Cap ETF (NYSE Arca: ROOF)
- IQ Emerging Markets Mid Cap ETF (NYSE Arca: EMER)

We strongly urge shareholders to consult with their tax advisors regarding any tax consequences related to these dividends and distributions.

IRS Circular 230 disclosure: IndexIQ does not provide legal, tax or accounting advice. Any statement contained in this communication concerning U.S. tax matters is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties imposed on the relevant taxpayer. Shareholders or potential shareholders of the IndexIQ ETFs should obtain tax advice based on their particular circumstances.

If you have any questions concerning this information or IndexIQ ETFs in general, please call 1-888-934-0777 between 9:00 a.m. and 5:30 p.m. EST, Monday through Friday.

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.

IndexIQ ETFs are distributed by ALPS Distributors, Inc.

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