



IndexIQ Announces Final Capital Gains and Income 2010 Distributions for the IndexIQ Exchange Traded Funds

RYE BROOK, New York, (December 23, 2010) - IndexIQ, a leading developer of index-based alternative investment solutions, is pleased to provide the following information, which summarizes the 2010 annual dividends and capital gain distributions for IndexIQ ETFs:

Ticker	Fund	Ordinary Income Distribution (\$/share)	Short Term Gain Distribution (\$/share)	Long Term Gain Distribution (\$/share)	Total Distribution (\$/share)	Record Date	Ex-Date	Pay Date
QAI	IQ Hedge Multi-Strategy Tracker ETF	0.414	-	-	0.414	12/28/2010	12/23/2010	12/30/2010
MCRO	IQ Hedge Macro Tracker ETF	0.148	-	-	0.148	12/28/2010	12/23/2010	12/30/2010
CPI	IQ Real Return ETF	0.004	-	-	0.004	12/28/2010	12/23/2010	12/30/2010
GRES	IQ Global Resources ETF	0.124	0.183	-	0.307	12/28/2010	12/23/2010	12/30/2010
MNA	IQ Merger Arbitrage ETF	0.011	0.317	-	0.328	12/28/2010	12/23/2010	12/30/2010
CNDA	IQ Canada Small Cap ETF	0.468	-	-	0.468	12/28/2010	12/23/2010	12/30/2010
KROO	IQ Australia Small Cap ETF	0.447	0.040	-	0.487	12/28/2010	12/23/2010	12/30/2010
SKOR	IQ South Korea Small Cap ETF	0.018	0.020	-	0.038	12/28/2010	12/23/2010	12/30/2010
TWON	IQ Taiwan Small Cap ETF	0.542	-	-	0.542	12/28/2010	12/23/2010	12/30/2010

IndexIQ is pleased to note that, as set forth above, only four of the IndexIQ ETFs will pay capital gains distributions in 2010 and, for the second 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 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 South Korea Small Cap ETF (NYSE Arca: SKOR)
- IQ Canada Small Cap ETF (NYSE Arca: CNDA)
- IQ Australia Small Cap ETF (NYSE Arca: KROO)
- IQ Taiwan Small Cap ETF (NYSE Arca: TWON)

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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