



FOR IMMEDIATE RELEASE

**INDEXIQ ANNOUNCES NOVEMBER PERFORMANCE OF ITS
IQ HEDGE FAMILY OF INVESTABLE BENCHMARK HEDGE FUND REPLICATION INDEXES**

RYE BROOK, New York, (December 7, 2010) – IndexIQ, a leading developer of index-based alternative investment solutions, today announced the performance of its proprietary family of hedge fund replication and alternative beta indexes.

Designed as investable benchmarks that replicate the performance characteristics of sophisticated hedge fund strategies, the IQ Hedge™ benchmark indexes were originally introduced on March 30, 2007, and have been calculating live since that date. IQ Hedge is the first family of investable benchmark indexes covering hedge fund replication/alternative beta strategies.

For the period ended November 30, 2010, the returns for the indexes were as follows:

IQ HEDGE FUND REPLICATION - Beta Indexes						
		1 Month	3 Month	YTD	1 Year	3 Year
IQ Hedge Global Macro Beta Index	IQHGGMB	-2.18%	-2.73%	4.62%	0.68%	0.03%
IQ Hedge Long/Short Beta Index	IQHGLSB	-2.80%	4.27%	7.22%	0.90%	-5.27%
IQ Hedge Event-Driven Beta Index	IQHGEDB	-1.03%	3.83%	9.62%	6.50%	3.38%
IQ Hedge Market Neutral Beta Index	IQHGMNB	-0.71%	1.16%	3.47%	1.61%	2.46%
IQ Hedge Emerging Markets Beta Index	IQHGEMB	-1.31%	5.71%	7.96%	6.46%	7.95%
IQ Hedge Fixed Income Arbitrage Beta Index	IQHGFIB	0.45%	3.22%	5.56%	6.68%	2.64%
IQ Hedge Composite Beta Index	IQHGCOB	-1.26%	2.57%	5.35%	3.87%	2.35%

Past performance does not guarantee future results.

Since its founding in 2006, IndexIQ has been a pioneer in the development and application of innovative index-based investment strategies. The IQ Hedge Indexes are increasingly being used as the basis of investment products worldwide, and as benchmarks for advisors to determine how well their actively managed hedge funds and alternative mutual funds are actually performing.

IndexIQ Indexes underlie a variety of investment products globally including ETFs, mutual funds, and institutional accounts. IndexIQ products are designed to be liquid, transparent, low cost,* and accessible to a

broad range of investors, many of which are the first of their kind to be introduced to the market, including:

- **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.

Index performance does not reflect charges and expenses associated with the Funds or brokerage commissions associated with buying and selling ETF shares.

Investors are reminded that all investing involves risk, including possible loss of principal. The IQ Alpha Hedge Strategy Fund (IQ Fund), the IQ Hedge Multi-Strategy Tracker ETF (IQ Multi-Strategy ETF), and the IQ Macro Tracker ETF (IQ Macro ETF) are not hedge funds and do not invest in hedge funds. The IQ Alpha Hedge Strategy 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.

The investment performance of the IQ Multi-Strategy ETF, the IQ Macro ETF and the IQ Real Return ETF (collectively, the IQ ETFs), because they are funds of funds, depends on the investment performance of the underlying ETFs in which they invest. There is no guarantee that the IQ ETFs themselves, or each of the underlying ETFs in the Funds' portfolios, will perform exactly as its underlying index. The IQ ETFs are non-diversified and susceptible to greater losses if a single portfolio investment declines than would a diversified mutual fund. The IQ ETFs' 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.

Certain of the proposed takeover transactions in which the IQ Merger Arbitrage ETF (“Merger Arb ETF”), invests may be renegotiated, terminated or involve a longer time frame than originally contemplated, which may negatively impact the Merger Arb ETF's returns. The Merger Arb ETF's investment strategy may result in high portfolio turnover, which, in turn, may result in increased transaction costs to the Merger Arb ETF and lower total returns. The Merger Arb ETF is susceptible to foreign securities risk –since the Fund invests in foreign markets, it will be subject to risk of loss not typically associated with domestic markets, including currency transaction risk. Diversification does not eliminate the risk of experiencing investment losses. Stock prices of mid and small capitalization companies generally are more volatile than those of larger companies.

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 or by calling (888) 934-0777. Read the prospectus carefully before investing.

IndexIQ ETFs and mutual funds are distributed by ALPS Distributors, Inc., which is not affiliated with IndexIQ.

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