



FOR IMMEDIATE RELEASE

**INDEXIQ ANNOUNCES OCTOBER 2011 PERFORMANCE OF ITS
IQ HEDGE FAMILY OF INVESTABLE BENCHMARK HEDGE FUND REPLICATION INDEXES**

RYE BROOK, New York, (November 2, 2011) – 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 October 31, 2011, 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	2.46%	2.85%	7.89%	4.37%	10.35%
IQ Hedge Long/Short Beta Index	IQHGLSB	6.37%	-3.76%	-2.50%	-1.02%	8.43%
IQ Hedge Event-Driven Beta Index	IQHGEDB	4.48%	-2.64%	-0.77%	0.58%	10.75%
IQ Hedge Market Neutral Beta Index	IQHGMNB	1.32%	-1.74%	-0.79%	-0.54%	4.92%
IQ Hedge Emerging Markets Beta Index	IQHGEMB	6.52%	-6.92%	-8.03%	-5.27%	15.53%
IQ Hedge Fixed Income Arbitrage Beta Index	IQHGFIB	5.08%	0.02%	-0.18%	1.49%	9.38%
IQ Hedge Composite Beta Index	IQHGCOB	4.35%	-2.01%	-0.73%	0.01%	10.01%

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 Hedge Macro Tracker ETF (NYSE Arca: MCRO)**, the first Global Macro/Emerging Markets hedge fund replication ETF;
- **IQ Merger Arbitrage ETF (NYSE Arca: MNA)**, the first merger arbitrage 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 US Real Estate Small Cap ETF (NYSE Arca: ROOF)**, the first US Real Estate Small Cap ETF;
- **IQ Global Resources ETF (NYSE Arca: GRES)**, the first hedged global natural resources ETF;
- **IQ Global Agribusiness Small Cap ETF (NYSE Arca: CROP)**, the first agribusiness small cap ETF;
- **IQ Global Oil Small Cap ETF (NYSE Arca: IOIL)**, the first global oil small cap ETF;
- **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;
- **IQ Hong Kong Small Cap ETF (NYSE Arca: HKK)**, the first Taiwan small cap ETF;
- **IQ Japan Mid Cap ETF (NYSE Arca: RSUN)**, the first Japan mid cap ETF;
- **IQ Emerging Markets Mid Cap ETF (NYSE Arca: EMER)**, the first Emerging Markets mid cap ETF.

About IndexIQ

IndexIQ is a leading issuer of index-based liquid alternative solutions focused on absolute return, real asset and international strategies. IndexIQ solutions are offered as ETFs, Mutual Funds & Separate Accounts. IndexIQ’s philosophy is to democratize investment management by making innovative alternative investment strategies available to investors in low cost, liquid and transparent 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.

*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.

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.

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. 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.

Investors are reminded that all investing involves risk, including possible loss of principal. 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.

IDX000821.113012