



FOR IMMEDIATE RELEASE

**INDEXIQ ANNOUNCES YEAR-END PERFORMANCES FOR ITS
IQ HEDGE FAMILY OF HEDGE FUND REPLICATION INDEXES**

NEW YORK, (January 6, 2010) – IndexIQ, a leading developer of index-based alternative investment solutions, today announced the year-end performance for its family of hedge fund replication indexes.

For the period 2009, the returns were as follows:

Index Name	2009
IQ Hedge Composite Beta Index	19.25%
IQ Hedge Long/Short Beta Index	15.80%
IQ Hedge Market Neutral Beta Index	11.14%
IQ Hedge Fixed Income Arbitrage Beta Index	17.00%
IQ Hedge Global Macro Beta Index	12.29%
IQ Hedge Event-Driven Beta Index	17.93%
IQ Hedge Emerging Markets Beta Index	42.96%

“IndexIQ’s hedge fund replication indexes are designed to deliver the performance characteristics of the most widespread hedge fund investment strategies,” said Adam Patti, chief executive officer at IndexIQ. “We are very pleased with the returns since inception in 2007, and the returns during 2009 -- a highly volatile period for global markets -- illustrate the power and utility of hedge fund replication.”

IndexIQ launched the IQ Hedge Index family in 2007 as the world’s first family of hedge fund replication indexes, covering the largest hedge fund investment strategies by assets. IQ Hedge is based on a proprietary, transparent, rules-based process that uses Exchange-Traded Funds (ETFs) as its primary portfolio components, creating even greater liquidity and transparency for these products at a time when liquidity and transparency are among the most sought after investment features.

IQ Hedge Indexes underlie a variety of investment products globally, ranging from ETFs, Mutual Funds, Institutional Accounts and Structured Products. IndexIQ is the sponsor of a number of other

index-based alternative investment products designed to “democratize” the alternative investment landscape, including:

- the first U.S.-listed hedge fund replication ETF, the **IQ Hedge Multi-Strategy Tracker ETF (NYSE Arca: QAI)**;
- the first market directional hedge fund replication ETF, the **IQ Hedge Macro Tracker ETF (NYSE: MCRO)**;
- the first U.S.-listed “real return” ETF which seeks to give investors a hedge against the U.S. inflation rate by providing a return above the rate of inflation as measured by changes in the Consumer Price Index, the **IQ CPI Inflation Hedged ETF (NYSE Arca: CPI)**; the Consumer Price Index 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;
- the first global resources hedged ETF, which seeks to solve the problems associated with the significant overweight in the energy sector inherent in other broad-based commodity products, the **IQ ARB Global Resources ETF (NYSE Arca: GRES)**;
- the first merger arbitrage ETF, the **IQ ARB Merger Arbitrage ETF (NYSE Arca: MNA)**;
- and
- the first open-end, no-load hedge fund replication mutual fund, the **IQ ALPHA Hedge Strategy Fund (IQHIX – Institutional Share Class, and IQHOX – Investor Share Class)**.

IndexIQ products are designed to be liquid, transparent, low cost, and accessible to a broad range of investors.* CPI, MNA and GRES should be considered a speculative investment entailing a high degree of risk and are not suitable for all investors. An investment in the ETFs does not represent a complete investment program.

Past performance is not a guarantee of future results.

*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.

IndexIQ Announces Year-End Index Performance/Page 3

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 Funds are new, with limited historical performance data. There can be no assurance that the Funds' investment strategies will be successful. The Funds are not suitable for all investors.

The investment performance of the IQ Multi-Strategy ETF, the IQ Macro ETF and the IQ CPI Inflation Hedged 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.

The investments of the IQ ARB Global Resources ETF (GRES) are concentrated in the global resources sector, the value of its shares will be affected by factors specific to that sector and may fluctuate more widely than that of a fund which invests in a broad range of industries. GRES also may be susceptible to foreign securities risk. Since GRES invests in foreign markets, it will be subject to risk of loss not typically associated with domestic markets. Loss may result because of less foreign government regulation, less public information, less economic, political and social stability, or other factors. GRES is exposed to mid and small capitalization companies risk. Stock prices of mid and small capitalization companies generally are more volatile than those of larger companies and also are more vulnerable than those of large capitalization companies to adverse business and economic developments. Since GRES may invest directly in foreign currencies or in securities that trade in, and receive revenues in, foreign currencies, GRES is subject to the risk that those currencies will decline in value relative to the U.S. that the U.S. dollar will decline in value relative to the currency being hedged. GRES has a limited operating history.

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.

ETF Shares are not individually redeemable and owners of the ETF shares may acquire those ETF shares from the ETFs and tender those shares for redemption to the ETF in Creation Unit aggregations only, typically consisting of 50,000 Shares.

IndexIQ ETFs and mutual funds are distributed by ALPS Distributors, Inc. (ALPS), which is not affiliated with IndexIQ. Adam Patti is a registered representative of ALPS.