



FOR IMMEDIATE RELEASE

**INDEXIQ CEO ADAM PATTI TO DISCUSS USE OF ETFs TO
PROVIDE HEDGE AGAINST INFLATION AT “INSIDE ETFs” CONFERENCE**

*ETF-based funds can provide better diversification than TIPS, improved
ability to mitigate impact of inflation on a portfolio, Patti says*

RYE BROOK, New York, (January 12, 2010) – Speaking today at the third annual *Inside ETFs Conference* in Boca Raton, Florida, IndexIQ chief executive officer Adam Patti will make the case for using Exchange-Traded Fund (ETF)-based products to provide investors with a hedge against inflation.

IndexIQ is a leading developer of index-based alternative investment solutions and the sponsor of ETFs, including an ETF designed specifically to address the shortcomings of current inflation protection tools such as TIPS. IndexIQ’s IQ CPI Inflation Hedged ETF (NYSE Arca: CPI) seeks to provide a hedge against the U.S. inflation rate by providing a 2-3 percent “real return” above the rate of inflation, as represented by the Consumer Price Index, which 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. It is constructed as an ETF of ETFs, using a rules-based approach, and invests in a broad array of asset classes, including commodities such as gold and oil; currencies; real estate; equities; and short- and long-term treasuries.

“To date, investors have been limited in the tools they have available in their efforts to protect their assets against inflation,” said Adam Patti, chief executive officer at IndexIQ. “With many analysts convinced that we are about to enter an extended period of greater inflationary pressures, we believe the time is right for a new approach to protecting wealth by seeking a real return at or above the rate of inflation. IndexIQ’s innovative offerings provide investors with a sophisticated approach to hedging the impact of a broad-based rise in price levels as measured by the Consumer Price Index (CPI).”

Similarly, we believe that the IQ ARB Global Resources ETF (NYSE Arca: GRES), the first global resources hedged ETF, also provides a hedge against inflation through exposure to a diversified portfolio of commodity-related equities. GRES is also designed to solve the problems associated with the significant overweight in the energy sector inherent in other broad-based commodity products.

IndexIQ is the sponsor of a number of index-based alternative investment products designed to “democratize” the alternative investment landscape, including the first US-listed hedge fund replication Exchange-Traded Fund, the IQ Hedge Multi-Strategy Tracker ETF (NYSE Arca: QAI); the first Macro and Emerging Markets hedge fund replication ETF, the IQ Hedge Macro Tracker ETF (NYSE Arca: MCRO); the first merger arbitrage ETF, 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, tax efficient, and accessible to a broad range of investors.*

Past performance is not a guarantee of future results. The ETFs 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.

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.

*Ordinary brokerage commissions apply. IndexIQ’s ETF holdings are available daily on IndexIQ’s website. ETFs are liquid in that they are exchange-traded. The ETFs are tax efficient in that there are no capital gains distributions.

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 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 Funds

are not suitable for all investors. Diversification does not eliminate the risk of experiencing investment losses.

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 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 will be 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.

The Funds are distributed by ALPS Distributors, Inc. (ALPS), which is not affiliated with IndexIQ. Adam Patti is a registered representative of ALPS.

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