



FOR IMMEDIATE RELEASE

**INDEXIQ'S IQ HEDGE MULTI-STRATEGY TRACKER ETF (QAI) NAMED
MOST INNOVATIVE ETF BY CAPITAL LINK**

Firm's IQ Hedge Multi-Strategy Index Recognized as Most Innovative Index

RYE BROOK, New York, (April 28, 2010) – IndexIQ's IQ Hedge Multi-Strategy Tracker ETF (NYSE Arca: QAI) has been named the Most Innovative ETF by Capital Link, it was announced today. The IQ Hedge Multi-Strategy Index, the index underlying QAI, also was recognized by Capital Link as the Most Innovative Index, marking the first time a single firm has been awarded this distinction in both the ETF and Index categories.

The awards are presented annually by Capital Link to “those fund sponsors and executives who consistently apply high standards of financial disclosure, investor and shareholder relations, and production innovation.” They are based on nominations by a committee of analysts and industry specialists. This year's awards will be presented at the 9th Annual Closed-End Funds & Global ETFs Forum in New York.

IndexIQ is a leading developer of index-based alternative investment solutions, offering Exchange-Traded Funds (ETFs), mutual funds and separately managed accounts. The IQ Hedge Multi-Strategy Tracker ETF was introduced on March 25, 2009, and was the first U.S.-listed hedge fund replication ETF. It is designed to capture the risk-adjusted return characteristics of the collective hedge fund universe using multiple hedge fund investment styles, including long/short equity, global macro, market neutral, event-driven, fixed income arbitrage, and emerging markets.

“We are extremely pleased to have both our ETFs and our Indexes recognized by analysts and industry specialists, such as through the Capital Link awards,” said Adam Patti, chief executive officer at IndexIQ. “Our goal from the start has been to ‘democratize’ the alternative investment industry by giving investors and their advisors access to these strategies through liquid, transparent and low cost products, like QAI and our other ETFs.* QAI created a whole new category of investment products when it was introduced last year, and has helped us pave the way for the introduction of a broad family of alternative investment ETFs.”

IndexIQ recently marked the three-year anniversary of its proprietary family of hedge fund replication and alternative beta indexes. Designed to replicate the performance characteristics of sophisticated hedge fund strategies, including Global Macro, Emerging Markets, Long/Short Equity, Market Neutral, Event Driven, and Fixed Income Arbitrage, the IQ Hedge™ indexes were originally introduced on March 30, 2007.

IndexIQ also is the sponsor of a number of index-based alternative investment products, 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 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 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)**;
- **IQ Canada Small Cap ETF (NYSE Arca: CNDA)**, the first Canada small cap ETF, and **IQ Australia Small Cap ETF (NYSE Arca: KROO)**, the first Australia small cap ETF, and **IQ South Korea Small Cap ETF (NYSE Arca: SKOR)**, the first South Korea small cap ETF;
- 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.* QAI, MCRO and IQ ALPHA Hedge Strategy Fund are not hedge funds and do not invest in hedge funds.

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.

Past performance is not a guarantee of future results.

About IndexIQ

Based in Rye Brook, New York, IndexIQ is a 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 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.

About Capital Link, Inc.

Capital Link, Inc., a New York-based investor relations and financial communications firm which focuses on Closed-End Funds and ETFs, aims to identify and recognize annually those fund sponsors and executives who consistently apply high standards of financial disclosure, investor and shareholder relations. The Awards are based on nominations by a committee of CEF and ETF analysts. Capital Link is not part of the Nominating Committee. The Awards are presented in the context of the Annual Capital Link Closed-End Funds and Global ETFs Forum held in New York.

*Ordinary brokerage commissions apply. IndexIQ’s ETF holdings are available daily on IndexIQ’s website. ETFs are liquid in that they are exchange-traded.

Investors are reminded that all investing involves risk, including possible loss of principal. The funds are not suitable for all investors. Investors in the Funds should be willing to accept a high degree of volatility in the price of the Funds’ shares and the possibility of significant losses. An investment in the Funds involves a substantial degree of risk and the Funds do not represent a complete investment program.

IQ Hedge Multi-Strategy ETF: The Fund's investment performance, because it is a fund of funds, depends on the investment performance of the underlying ETFs in which it invests. There is no guarantee that the Fund itself, or any of the ETFs in the Fund's portfolio, will perform exactly as its underlying index. The Fund is non-diversified and is susceptible to greater losses if a single portfolio investment declines than would a diversified mutual fund. The Fund’s 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 Fund’s underlying ETFs to be more volatile than if the underlying ETFs had not been leveraged.

IQ CPI Inflation Hedged ETF: The Fund’s investment performance, because it is a fund of funds, depends on the investment performance of the underlying ETFs in which it invests. There is no guarantee that the Fund itself, or each of the ETFs in the Fund’s portfolio, will perform exactly as its underlying index. The Fund is non-diversified and is susceptible to greater losses if a single portfolio investment declines than would a diversified mutual fund. The Fund’s 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. Loss may result from the imposition of exchange controls, confiscations and other government restrictions. Foreign risks will normally be greater when the Fund invests in

emerging markets. Leverage, including borrowing, will cause some of the Fund’s underlying ETFs to be more volatile than if the underlying ETFs had not been leveraged.

IQ ARB Global Resources ETF: As the Fund’s investments 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. The Fund also may be 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. Loss may result because of less foreign government regulation, less public information, less economic, political and social stability, or other factors. The Fund 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 the Fund may invest directly in foreign currencies or insecurities that trade in, and receive revenues in, foreign currencies, the Fund 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.

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). ALPS, IndexIQ and Capital Link are not affiliates. Adam Patti is a registered representative of ALPS.

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