



For Immediate Release

**ROBERT F. WHITELAW JOINS INDEXIQ AS
CHIEF INVESTMENT STRATEGIST**

Co-Chair of the Department of Finance at NYU's Stern School of Business will provide research and analysis in support of the firm's innovative product strategies and solutions

NEW YORK, (December 11, 2006) – Robert F. Whitelaw, the Edward C. Johnson 3d Professor of Entrepreneurial Finance and Co-Chair of New York University's Stern School of Business Finance Department, has been named Chief Investment Strategist and member of the Advisory Board of IndexIQ, Inc., the firm said today. The appointments were effective earlier this year.

IndexIQ is a leading developer of next-generation indexes that are used to create innovative, high performance investable products for institutional, high net worth and retail investors. These products are designed to capture the key corporate and market-related metrics that can lead to equity outperformance.

In his role, Professor Whitelaw will use his research and analytical background to help refine the proprietary investment methodologies incorporated in the firm's families of index products. Specifically, he will be responsible for ensuring that the firm's methodologies incorporate the best available construction processes and maintain the highest level of data integrity.

"Professor Whitelaw is one of the foremost researchers in the areas of stock return predictability and risk management in the country. That, along with his extensive academic background in portfolio construction and asset pricing, provides a tremendous asset to our research and product development teams," said Adam S. Patti, chief executive officer at IndexIQ.

"Traditional indexing strategies have served investors well, but the research increasingly confirms that there is value to be added with a fundamental approach," said Professor Whitelaw. "The key is to understand and capture those factors that are

undervalued by the market, and to put in place a rigorous process of testing to validate the investment methodology. That is where I hope to make a contribution to what is being done at IndexIQ.”

The IndexIQ Index Families

IndexIQ has developed “Metrix that Matter”™, an approach that evolved out of the recognition that many critical company-specific and market-related factors are insufficiently considered in equity analysis.

The IndexIQ index families are designed with distinct methodologies incorporating a full range of investment strategies tailored to the unique needs of investors across the spectrum of sophistication.

Among the statistics generally measured and tracked over one-, five-, ten-, and fifteen-year periods are Volatility, Alpha, Sharpe Ratio, R-Squared, and Beta. As part of a rigorous back testing process, the firm has employed the standard four-factor model, which includes the market factor, the size and value factors as identified by Fama and French, and a momentum factor, to determine performance attribution. The analysis revealed that the outperformance observed was derived primarily from IndexIQ’s proprietary stock selection methodologies rather than from any of the factors measured (market performance, value vs. growth, market cap, or momentum).

The firm makes its indexing solutions available to partners that develop a broad range of products for institutional, high net worth, and retail investors, including asset management firms, plan sponsors, foundations, family offices, and hedge funds.

About IndexIQ

Based in Rye Brook, New York, IndexIQ is a leading developer of sophisticated, quantitatively-derived, next-generation index products. The firm utilizes its proprietary methodologies to create high performance investment products for the institutional, high net worth and retail investor markets through its pioneering indexing strategies. Additional information about the company and its products can be found at www.indexiq.com.

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