



For Immediate Release

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**FIRST INDEX TO TRACK VOLATILITY IN THE CHINESE
STOCK MARKET INTRODUCED BY ALPHASHARES**

*New "CHIX" measures implied volatility of the Chinese equity market; serves as a
barometer of investor sentiment and market volatility*

WALNUT CREEK, Calif., (July 7, 2009) – The first widely available index designed to track volatility and sentiment in the Chinese stock market has been introduced by AlphaShares, LLC, it was announced today.

AlphaShares, co-founded by Princeton University economist and author Dr. Burton G. Malkiel, is an investment management firm focused on the Chinese markets.

The AlphaShares Chinese Volatility Index, or "CHIX" (Bloomberg: ASCNCHIX), measures the implied volatility of options on Chinese Equity Indexes with the most liquid derivatives markets. It has been calculated daily for the past 12 months by AlphaShares using a methodology that computes the 30-day weighted average implied volatility of the four options closest to the at-the-money strike of the two benchmark indexes. The CHIX was created to serve as a measure of the market's expectations of near-term volatility as conveyed by the options of the major Chinese benchmark indexes.

Over the past 12 months (ending 6/30/09), volatility in the Chinese market has averaged 55.84 as measured by the CHIX, compared to an average of 40.54 for the VIX (the Chicago Board Options Exchange (CBOE) S&P Volatility Index) over that same period. The range of Chinese market volatility has generally been wider as well, moving

between 33.23 and 122.25 versus 19.43 to 80.86 for the VIX. Higher volatility readings are associated with high volatility that are a result of investor fear and uncertainty; by way of contrast, low volatility typically corresponds to less stressful or even complacent times in the marketplace. The two volatility indexes closed the month of June at 36.36 (CHIX) and 26.35 (VIX).

“The AlphaShares CHIX is designed to give investors an additional tool for understanding and managing Chinese equity market risk as measured by volatility,” said Jonathan Masse, Senior Portfolio Manager at AlphaShares. “Going forward, we would expect the index to serve as a barometer of investor sentiment and a gauge of volatility in Chinese equities. Much like the VIX serves as the ‘Investor Fear Gauge’ here in the States, we think the CHIX will serve as a similar reference to the Chinese stock markets.”

About AlphaShares

AlphaShares, LLC is an investment management firm dedicated to providing investors with strategies and products to participate in China’s fast growing economy. AlphaShares investment philosophy and strategies are based on the beliefs and research of co-founder and Chief Investment Officer, Dr. Burton G. Malkiel.

The AlphaShares team has over 100 years of experience with firms including, Barclays Global Investors, BARRA, Renaissance Technologies, Robertson Stephens & Company, and The Vanguard Group.

The AlphaShares China Real Estate Index and the AlphaShares China Small Cap Index have been licensed as the basis for U.S. listed exchange traded funds (“ETFs”) NYSE: HAO and NYSE: TAO respectively.

AlphaShares offers several strategies for investors seeking exposure to China. Interested parties should contact Mark Wehrman, Director of Business Development, at mwehrmanl@alphashares.com.

More information is available at www.alphashares.com.

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