Jan de Haan:

**Time dummy hedonic index as a specific case of Törnqvist index**

*Abstract:*

This paper compares a Törnqvist price index in which the 'missing prices' are imputed using hedonic regression with the time dummy hedonic index. The aim is to show that the time dummy index can be interpreted as a special case of the imputation Törnqvist index when the regression weights are properly chosen. It is argued that the set of weights proposed in the recent academic literature overstates the impact of new and disappearing items. This may be particularly relevant for high-turnover goods like PCs.

*Keywords:*

consumer price index; hedonic imputation; time dummy index.