Economists have noted for decades that Consumer Price Index (CPI) in the developed countries is overstating inflation by 0.5–2.0% per year. A significant part of such a bias is due to information and communication technology products. But nowadays there’s almost no works devoted to bias estimation in developing countries and countries in transition. In this paper we estimate hedonic price and quality indexes for PC in Russia. We have estimated a 11% fall in the price of personal computers in 2005 and a 10.55–20.69% upward bias in price index for PC in Russia. We have found that the Russian CPI could be upward biased by 0.11–0.21% per year. Quality indexes indicate an 8-10% quality growth per year.

**Key words:** CPI, hedonic price index, CPI bias

**JEL Classification:** C43, E31