* „We evaluate the finite sample performance of the empirical prediction intervals using Monte Carlo experiments“
* Constructing prediction intervals
  + **Theoretical approach**: Parameters specified correctly, errors normally distributed, with 0 mean, variance see paper
  + [Lˆ n,τ , Uˆ n,τ ] = [yˆn,τ ± z(1−α)/2σˆτ ]
  + Only works when everything is correctly specified
  + **Empirical approach**
  + “Not assume that the chosen forecasting model is specified correctly”
  + Analysis of past forecast errors of known out of sample realizations
  + “proxy for the true post-sample forecast errors”
  + *Parametric approach*
  + Calculate mean and variance of the error-sample and calculate the prediction interval with the same formula as in the theoretical approach
  + Difference to the theoretical approach: Theoretical approach uses 1-step ahead forecast and P-empirical approach uses τ -step-ahead forecast errors and does not assume a correct specification of the data-generating process
  + *Non-parametric approach*
  + Calculate prediction intervals based on the distribution of observed errors
  + “However, the normality assumption is often invalid in practical applications. In this case, the use of non-parametric sample quantiles results in more robust prediction intervals.”
* “We use two benchmarks for our study: theoretical prediction intervals and purely non-parametric prediction intervals.”