Reviewer #1: The authors have further improved the paper, and I am looking forward to seeing it in print. I have a few further comments below. In particular, I suggest cutting a length but not overly enlightening calculation of an example introduced by Pesaran & Timmermann (2007) on p. 6 - I would ask the editor to comment on cutting this.

We now cut the length of the manuscript by revising section 3, e.g., cutting the elementary calculation of the example.

p. 2: the Syntetos et al. paper is about forecasting in supply chains in general. The Fildes et al. (2018) working paper would probably be a better reference for forecasting in retail in particular.

We now update the reference.

p. 6: After "Pesaran and Timmermann (2007) demonstrated analytically how a structural change could lead toforecast bias using a simple regression model without an intercept.", there follows about 3/4 of a page that simply calculates the motivating example from Pesaran & Timmermann (2007). This calculation is elementary and not necessary for the rest of the paper. It could be cut, with the paragraph continuing with "The forecast bias may subsequently lead to lower forecast accuracy (Clements & Hendry, 1999)." on page 7.

We now revise and reduce this section: we put a summary of the consequence of the structural change problem and cut the elementary calculation of the example.

p. 7/8, "The forecasts can be combined based on equal weights, which have been found effective and easy toimplement": There are also theoretical considerations arguing for equal-weights forecast combinations, e.g., Claeskens et al. (2016, IJF).

We thank the reviewer for this useful reference and we have added it to our manuscript.

p. 11: the trig terms with denominator 52 capture the \*week\* of the year effect, not the \*month\*. (It mightbe worthwile to consider adding terms with denominator 12.)

Revised. We also put a footnote indicating the possibility of add further components: “Also, there is a possibility to add further components to capture additional seasonal effects such as the month of the year effect and the quarter of the year effect.”

p. 12, "we assume that $\epsilon\_t~sim iid(0,\sigma^2)$" - I assume the authors use a normal distributionassumption here. Please change to "N(0,\sigma^2)$ iid" or some such.

Revised

Reviewer #2: I am happy to see that the manuscript has vastly improved from the original version. My last comments were addressed. Therefore, I am happy to accept the paper.

We thank the reviewer for the helpful comments and advice.