**Andreas Noack Jensen**

**"The Nesting Structure of the Cointegrated Vector Autoregressive Models"**

Abstract:
This article analyses the nesting structure of the I(2) cointegrated vector autoregressive models. I(2) models with different number of cointegrating relations are shown to be nested. Hypotheses are formulated such that all models can be related by classical hypothesis testing theory. A surprising result is that even though the I(2) models are formulated as submodels of I(1) models, some I(1)models are in fact submodels of I(2) models.