**Top Stocks to Own with Higher Inflation**

Markets are a disaster.

There's no sugar-coating it.

Right now, inflation is sky-high. Russia's invasion of Ukraine doesn't look like its ending soon. There's fear of a potential recession. Oil prices are gushing higher, etc. And investors are terrified. So, it just makes sense for investors to get far more defensive.

Here are three top stocks that may be able to help.

**Look at Costco Wholesale (COST), for example.**

With a dividend yield of 0.61%, COST sells needed products that consumers must have no matter how well or how poorly the economy is doing. In fact, no matter how steep of a downturn, consumers still need soap, detergent, toothpaste, toilet paper, food, etc. All can help provide a steadier and far more predictable cash flow for COST.

In addition, as reported by Barron's: "Near-term, the market may be underestimating the strength of Costco's position with higher inflation" wrote Jefferies analyst Stephanie Wissink, given that the overall results confirmed the company's ability to handle this and other supply-chain related headwinds. She has a Buy rating and $650 target on the stock.

**Or, take a look at Waste Management (WM).**

The trash collection and recycling company is another safe stock to consider.

For one, garbage hauling is a necessary service. Two, it's also recession resistant. Three, Waste Management does more than pick up trash. It also sorts, transfers, stores, and recycles, giving it access to multiple income streams. Four, the company's market share of landfill volume in the U.S. is now up to about 30%, which is the industry's highest.

Even better, the company carries a dividend yield of 1.7%. In March, Waste Management declared a quarterly cash dividend of $0.65 per share payable March 31, 2022 to stockholders of record on March 17, 2022.

**Dollar General (DG)**

As inflation pushes up the price of consumer goods, shoppers from all income levels are leaving regular grocery stores for dollar stores.

We can see that with the company's strong outlook.

Dollar General expects net sales growth of about 10% for its current fiscal year. It also says EPS could grow between 12% and 14%.

"While we anticipate a challenging first quarter due to elevated cost pressures, ongoing supply-chain disruptions, and the prior year sales and gross margin comparison, both of which were positively impacted by stimulus payments, we are confident in our full-year plan, including our outlook for sales and EPS growth," said John Garratt, chief financial officer.

Even better, Dollar General just increased its quarterly dividend by 31% to 55 cents a share. It also plans to buy back about $2.75 billion worth of stock this year.