

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D. C. 20543

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15 (d) of  
The Securities Exchange Act of 1934

Date of Report July 31, 1998

THE PEOPLES HOLDING COMPANY

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(Exact name of registrant as specified in its charter)

Mississippi	0-12154	64-0676974
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(State or other jurisdiction)	(Commission file number)	(I.R.S. Iden- tification number)

209 Troy Street, Tupelo, Mississippi 38802-0709

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(Address of principal executive officers) (Zip Code)

Registrant's Telephone Number: (601)680-1001

ITEM 1: CHANGES IN CONTROL OF REGISTRANT.

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Not applicable

ITEM 2: ACQUISITION OR DISPOSITION OF ASSETS.

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Not applicable

ITEM 3: BANKRUPTCY OR RECEIVERSHIP.

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Not applicable

ITEM 4: CHANGES IN REGISTRANT'S CERTIFYING ACCOUNTS.

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Not applicable

ITEM 5: OTHER EVENTS.

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The Board of Directors of The Peoples Holding Company has approved the hiring of Alex Sheshunoff Mangement Consulting Services, Inc. The focus of their engagement is to re-align work flows by better utilizing technology. Approximately 130 jobs will be eliminated over a period of approximately 9 months. Work should be completed by the end of the first quarter of 1999. The economic impact will not be apparent until 1999, but is expected to generate an additional \$3 to \$4 million pre-tax.

ITEM 6: RESIGNATION OF REGISTRANT'S DIRECTORS.

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Not applicable

ITEM 7: FINANCIAL STATEMENTS AND EXHIBITS.

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Not applicable

ITEM 8: CHANGE IN FISCAL YEAR.

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Not applicable

ITEM 9: SALES OF EQUITY SECURITIES PURSUANT TO REGULATION S.  
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Not applicable

SIGNATURE

Pursuant to the requirements of The Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE PEOPLES HOLDING COMPANY

/s/ John W. Smith  
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John W. Smith  
President & CEO

DATE: July 31, 1998

