

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

() Check this box if
no longer subject to
Section 16. Form 4 or
Form 5 obligations may
continue. See Instrution 1(b)

OMB APPROVAL
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section
17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the
Investment Company Act of 1940

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1. Name (Last, First Middle) and Address of Reporting Person*

Waycaster, C. Mitchell
2808 St. Andrews Drive
Belden, MS 38826

2. Issuer Name and Ticker or Trading Symbol

The Peoples Holding Company (PHC)

3. IRS Identification Number of Reporting Person, if an entity (Voluntary)

###-##-####

4. Statement for Month/Day/Year

January 1, 2003

5. If Amendment, Date of Original (Month/Day/Year)

6. Relationship of Reporting Person(s) to Issuer (Check all applicable)

() Director () 10% Owner
(X) Officer (give title below) () Other (specify below)

Executive Vice President

7. Individual or Joint/Group Filing (Check Applicable Line)

(X) Form filed by One Reporting Person
() Form filed by More than One Reporting Person

Table I - - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned
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| 1. Title of Security (Instr.3) | 2. Trans- action Date (Mo/Dy/Yr) | 2a.Deemed Execution Date, if any (Mo/Dy/Yr) | 3. Trans- action Code (Instr.8) | | 4.Securities Acquired (A) or Disposed of (D) (Instr.3,4 and 5) | | | 5. Amount of Securities Beneficially Owned Follow- ing Reported Transaction (s)(Instr.3 and 4) | 6.Owner- ship Form: Direct (D) or Indirect (I) (Instr.4) | 7. Nature of Indirect Bene- ficial Owner- ship (Instr.4) |
|--------------------------------------|---|---|--|---|--|--------------|-------|---|---|--|
| | | | Code | V | Amount | (A)or (D) | Price | | | |
| | | | | | | | | | | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

*If the form is filed by more than one reporting person, see Instruction 4(b)(v).

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FORM 4 (Continued)

TABLE II - - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)
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| 1. Title of Derivative Security (Instr.3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Mo/Dy/Yr) | 3A.Deemed Execution Date, if any (Mo/Dy/Yr) | 4. Transaction Code (Instr.8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D)(Instr. 3,4, and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | |
|---|--|--------------------------------|---|-------------------------------|---|---|-----|--|-----------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date |
| Phantom Stock | 1 for 1 | 12/31/2002 | | A | V | 3.68 | | (1) | (1) |

| | | | | | | | | | |
|--------------------------------------|---------|------------|--|---|---|-------|--|-----|-----|
| Employee Stock Option (Right to buy) | \$35.20 | 01/01/2002 | | A | V | 3,500 | | (3) | (3) |
| Employee Stock Option (Right to buy) | \$42.23 | 01/01/2003 | | A | V | 3,500 | | (3) | (3) |

| 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr.5) | 9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr.4) | 10. Ownership Form of Derivative Security: Direct(D) or Indirect (I) (Instr.4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|----------------------------|---|---|--|--|
| Title | Amount or Number of Shares | | | | |
| Common Stock | 3.68 | \$40.75 (2) | 33.76 | D | |
| Common Stock | 3,500 | | | D | |
| Common Stock | 3,500 | | 7,000 | D | |

Explanation of Responses:

- (1) The stock units are to be settled 100% in common stock upon the reporting person's normal retirement or upon approved request for hardship reasons.
- (2) The phantom stock units were accrued under the PHC deferred compensatio plan.
- (3) Equal installments of 33 1/3 % of the option shares granted will become exercisable on the completion of one, two and three years of service measured from the grant date, respectively. These options expire ten (10) years from the grant date.

/s/ C. Mitchell Waycaster

January 2, 2003

**Signature of Reporting Person

Date

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

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