

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

( ) Check this box if no longer subject to Section 16.

Form 4 or Form 5 obligations may continue. See Instructions 1(b).

1. Name and Address of Reporting Person

BRACKEN, FRANK A  
5150 PLANTATION DRIVE  
INDIANAPOLIS, IN 46250  
USA

2. Issuer Name and Ticker or Trading Symbol

FIRST MERCHANTS CORPORATION  
FRME

3. IRS or Social Security Number of Reporting Person (Voluntary)

###-##-####

4. Statement for Month/Year

JULY 31, 1999

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

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

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

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

1. Title of Security	2. Transaction Date	3. Transaction Code	4. Securities Acquired (A) or Disposed of (D) Amount	5. Amount of Securities Beneficially Owned at End of Month	6. Director (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership
COMMON STOCK				170,893.4485 (1)	D	
				1966	I	Co-Executor R.B. Bracken Estate
				14,170	I	Spouse

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative	3. Transaction Date	4. Transaction Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D) Amount	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities	8. Price of Derivative Security	9. Number of Derivative Securities	10. Director (D) or Indirect (I)	11. Nature of Indirect Beneficial Ownership
Non-Employee Director Stock Option (Right to Buy)	23.8125	07-01-99	A	1,000	01-01-00 to 06-30-09	Common Stock	1,000	4,600	D	

Explanation of Responses:

(1) Includes 5.4270 shares acquired in June 1999 under the First Merchants Corporation dividend reinvestment plan.

SIGNATURE OF REPORTING PERSON

Frank A. Bracken (Confirming Statement on File)

DATE

August 2, 1999