

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

GALLIHER, DAVID A  
2500 WEST BERWYN ROAD  
MUNCIE, IN 47304  
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

January 31, 2000

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)			5. Amount of Securities Beneficially Owned at End of Month	6. Director or Indirect (I)	7. Nature of Indirect Beneficial Ownership
			Amount	A/D	Price			
COMMON STOCK	01-01-00	P	73.7937	A	26.4250	16,307.8243 (1)	D	
						907	I	Spouse - Agency & IRA

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

1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date	4. Transaction Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D)	6. Date Exercisable and Expiration Date (A/D)	7. Title and Number of Underlying Securities	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned at End of Month	10. Director or Indirect (I)	11. Nature of Indirect Beneficial Ownership
Non-Employee Director Stock Option (Right to Buy)								5,500	D	

Explanation of Responses:

(1) Includes 123,111 shares acquired in December 1999 under the First Merchants Corporation dividend reinvestment plan.

SIGNATURE OF REPORTING PERSON

David A. Galliher (Confirming Signature on File)

DATE

February 1, 2000