

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
 ANDERSON, STEFAN S.
 2705 WEST TWICKINGHAM DRIVE
 MUNCIE, IN 47304
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
 June 30, 1998
5. If Amendment, Date of Original (Month/Year)
6. Relationship of Reporting Person(s) to Issuer (Check all applicable)
 Director () 10% Owner Officer (give title below) () Other
 (specify below)
 CHIEF EXECUTIVE OFFICER
7. Individual or Joint/Group Filing (Check Applicable Line)
 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. Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership
			Amount	A/D	Price			
Common Stock	06-29-1998	M	5,625	A	10.7778			
	06-29-1998	M	4,500	A	9.1111			
	06-29-1998	F	2196	D	46.25			
	06-30-1998	A	49	A	26.5625	68,420	D	
						2,295	I	Spouse

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 (Month/Day/Year)	7. Title and Amount of Underlying Securities	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned at End of Month	10. Direct (D) or Indirect (I)	11. Nature of Indirect Beneficial Ownership	
											Amount
Employee Stock Option (Right to Buy)	10.7778	06-29-98	M	5,625	D	12-31-89	06-30-99	Common Stock	5,625		
	9.1111	06-29-98	M	4,500	D	04-03-91	10-03-00	Common Stock	4,500	24,700	D

Explanation of Responses:
 SIGNATURE OF REPORTING PERSON
 Stefan S. Anderson (Confirming Signature on File)
 DATE
 July 3, 1998