

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

COX, MICHAEL L
905 NORTH MEADOW LANE
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)

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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 (X) Officer (give title below) () Other
(specify below)

PRESIDENT & CHIEF EXECUTIVE OFFICER

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				18,009	D	

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	7. Title and Amount of Underlying Securities	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned at End of Month	10. Director (D) or Indirect (I)	11. Nature of Indirect Beneficial Ownership
Employee Stock Option (Right to Buy)	22.75	07-29-99	A		* 07-28-09	10,000		52,937	D	

Explanation of Responses:

*325 shares exercisable January 29, 2000; 4,395 shares exercisable January 1, 2001; 4,395 shares exercisable January 1, 2002; and 885 shares exercisable January 1, 2003.

SIGNATURE OF REPORTING PERSON

Michael L. Cox (Confirming Signature on File)

DATE

August 5, 1999