

November 10, 2024



# Stamps Protocol

Monthly Update. November 2024 Release

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**Note to Readers:** *This PDF report contains hyperlinks to various reference sources and additional reading material for your convenience and further education. We have carefully selected these sources, believing them to be credible and genuine in their content. Please take advantage of these links to expand your understanding of the subject matter.*

## Key Takeaways

- In October, the number of transactions related to the Stamps Protocol remained consistent compared to the previous month. As mentioned in last month's update, recent developments in Counterparty were generally welcomed; however, a few challenges became apparent in the public domain. Firstly, there were some political discussions within the community regarding the decision-making process regarding the developments. Secondly, several fixes were needed following a major software release.
- During the month, there were 32,914 transactions related to Stamps, most of which were SRC-20 'TRANSFER' operations. The total number of Stamps transactions has now exceeded 775,063.

## Stamps Protocol: Refresher

Stamps is a blockchain protocol created by [MikelInSpace](#) that enables storing images on-chain on Bitcoin transaction outputs. It utilizes the Counterparty platform, a long-standing Bitcoin meta layer, to broadcast Stamping transactions to the Bitcoin Network. The protocol enables the creation of Bitcoin NFTs, especially low-resolution pixel art.

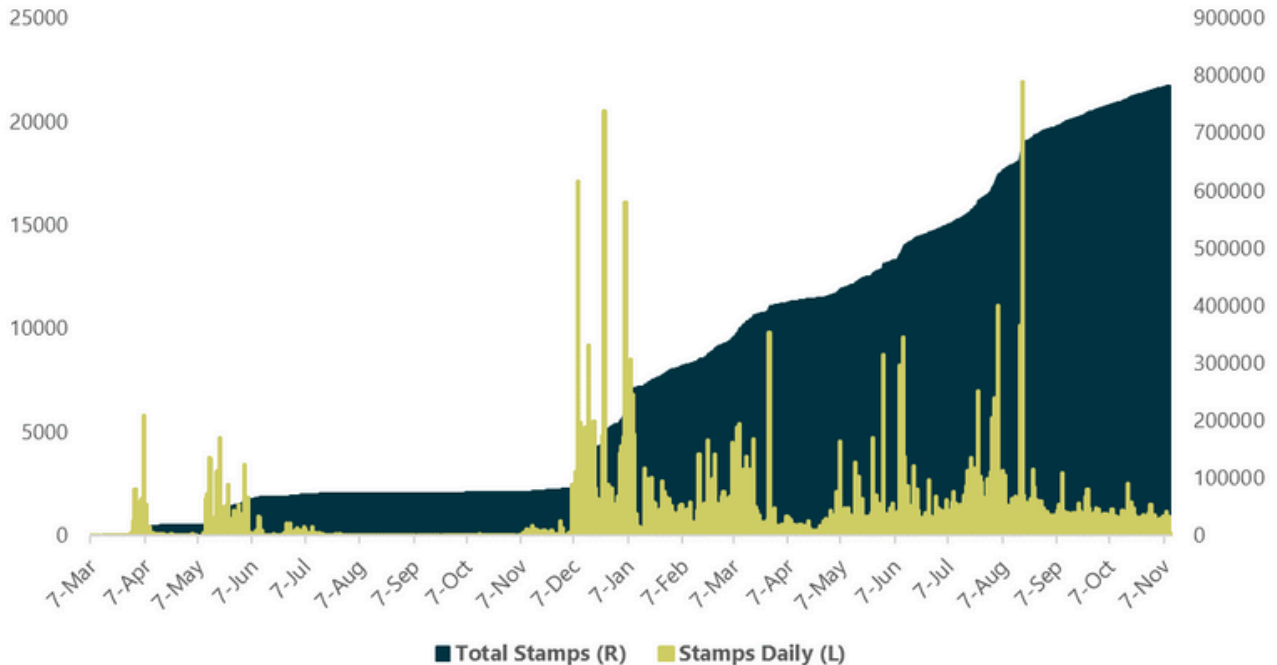
In our initial research paper, we dived into the details of the Stamps Protocol, accessible via this [link](#). We cordially recommend studying the comprehensive report.

Our monthly update reviews important milestones and developments in October 2024. If you missed our last reports, please visit this [link](#) to catch up.

## Key Stats

In October 2024, Stamps Protocol transactions decreased by approximately 12%, totaling **32,914** transactions compared to the previous month. This figure represents the second-lowest monthly number of transactions for the year, with the lowest being in April 2024, which recorded only 15,151 transactions. September had a higher count, with 37,234 Stamps-related transactions. By the end of October, the total of Stamps-related transactions reached **775,063**.

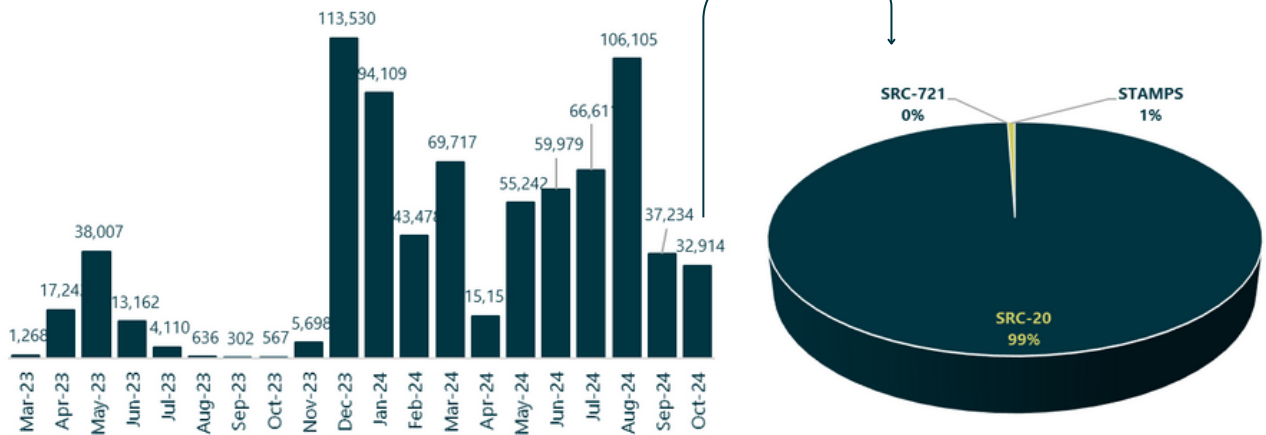
### Total Bitcoin Stamps Minted



Source: SQRR Research. Data: [stampchain.io](#).  
Data as of 10 November 2024.

In October, the number of Classic Stamps minted increased slightly compared to September, with 186 minted this month compared to 136 last month. However, SRC-721 only recorded three transactions in October. Since June 2024, transactions for SRC-721 have declined, averaging only 12 monthly transactions.

## Minting Trend (monthly) & October 2024 Mint Types

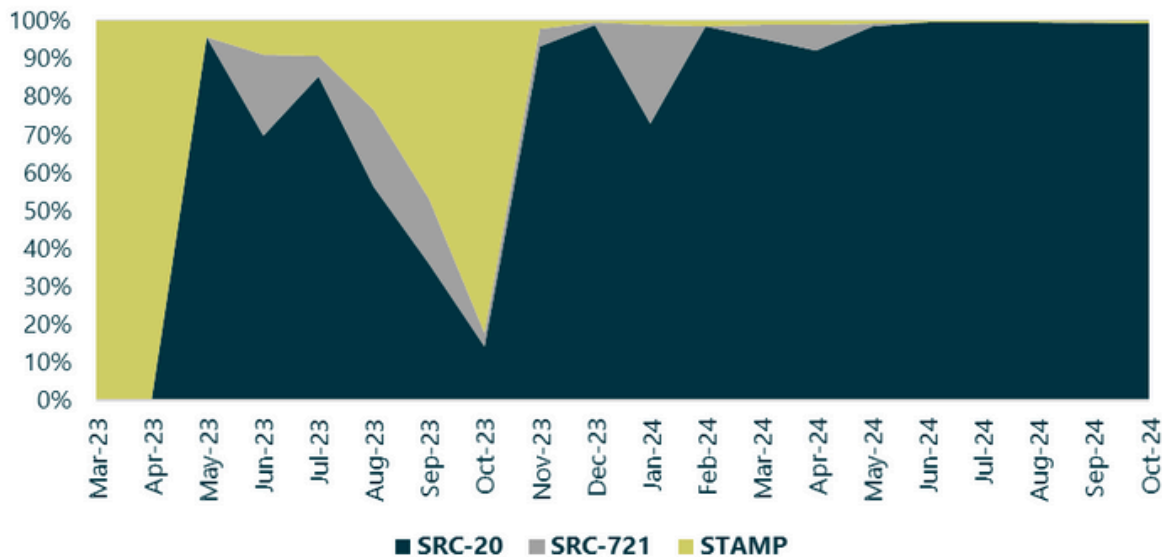


Source: SQRR Research. Data: stampchain.io.  
Data as of 31 October 2024.



In the past month, 'TRANSFER' operations comprised 97% of all SRC-20 transactions. There were 33 new token 'DEPLOY' transactions, an increase from 17 the previous month. The top five tokens involved in 'TRANSFER' operations accounted for approximately 61% of all transfer transactions during this period. A total of 101 tokens executed 'TRANSFER' operations. Additionally, 33 tokens had 'MINT' transactions.

## Minting Trend of Stamp Types



Source: SQRR Research. Data: stampchain.io.  
Data as of 31 October 2024.



The total number of SRC-20 token deployments reached 1,525 by the end of October 2024.

 **Bitcoin Stamps by Type**

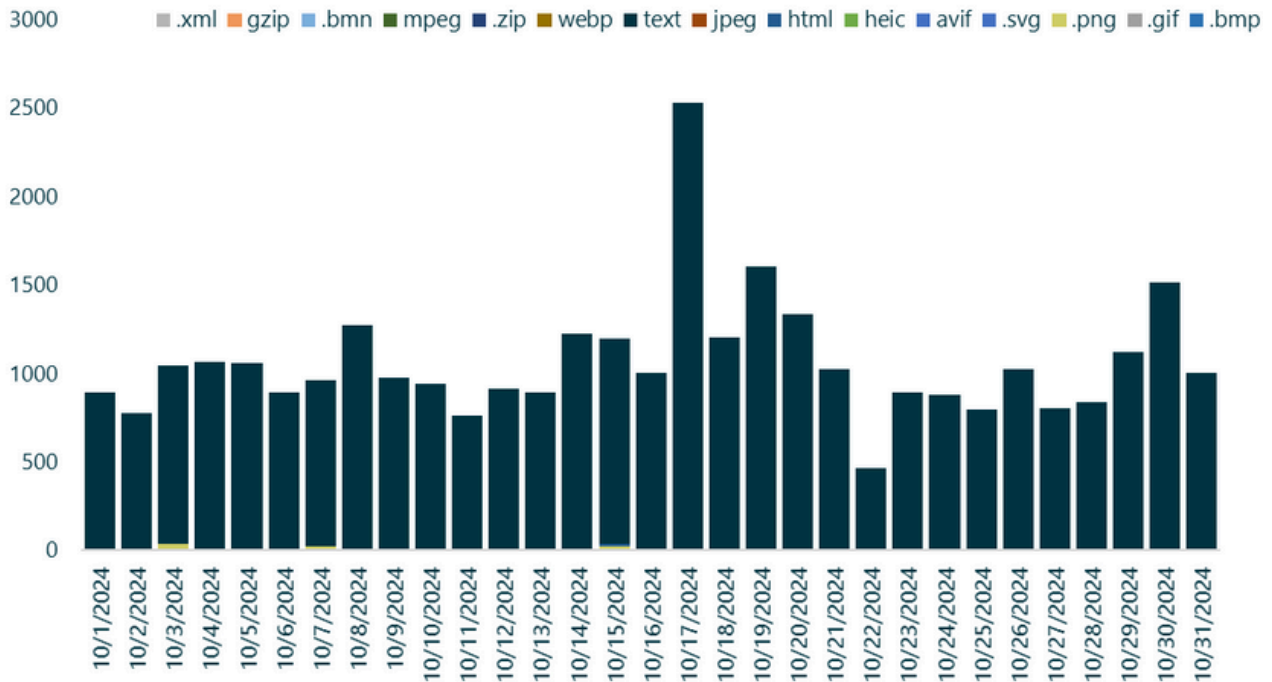
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Source: SQRR Research. Data: stampchain.io.  
Data as of 10 November 2024.



All but one of the 189 stamps were OLGA stamps. As a result, the total count of OLGA stamps increased to 5,297 by the end of October 2024. It is noteworthy that there was one legacy stamp mint, identified as Stamp ID - 757253.

## Bitcoin Stamps by Type (overtime)

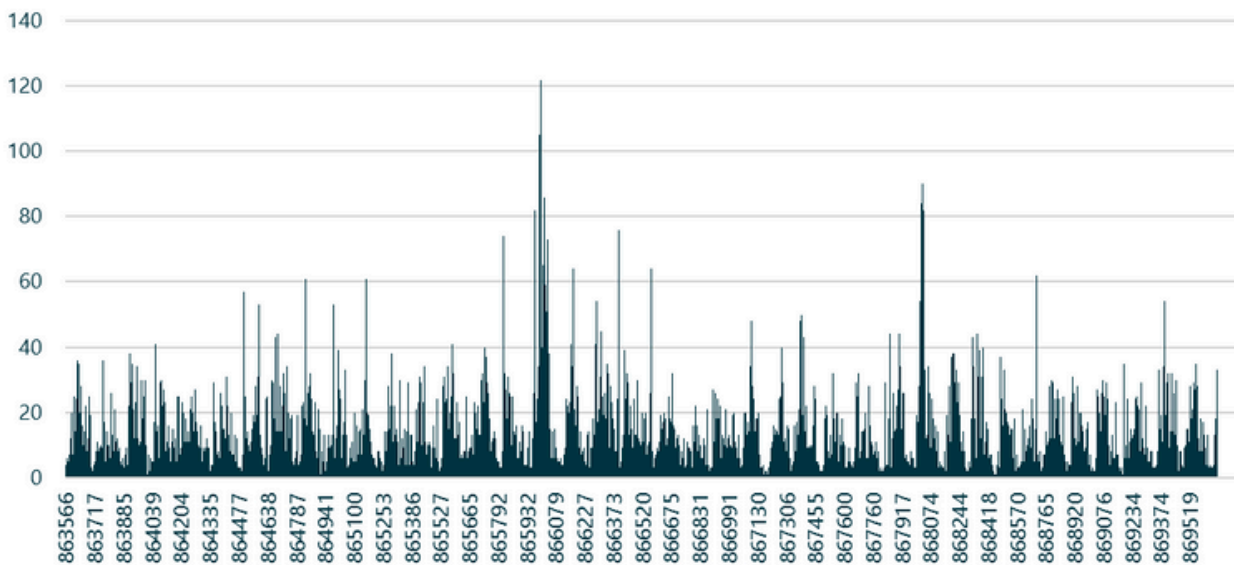


Source: SQRR Research. Data: stampchain.io.  
Data from 01 October to 31 October 2024.



The percentage of SRC-20 mints rose to 92.4% of the total Stamp transactions, while the percentages for SRC-721 and Classic Stamps type mints rose to 4.2% and 3.3%, respectively. There have been 25,658 Classic Stamps mints and 32,911s SRC-721 mints.

## Number of Stamps by Block

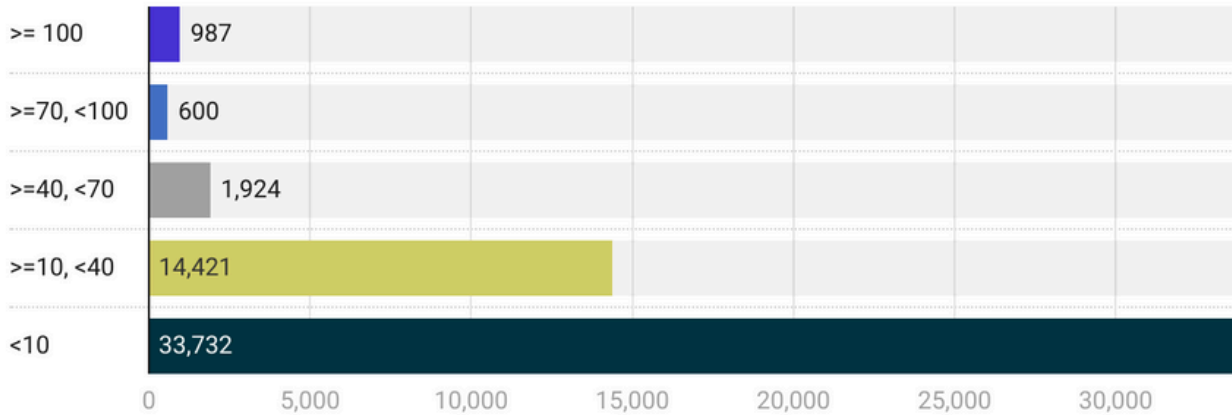


Source: SQRR Research. Data: stampchain.io.  
Data as from 01 October 2024 to 10 November 2024.



An interesting trend is emerging where the category of blocks containing between 10 and 40 Stamps transactions is gaining ground on the previously leading category of blocks with fewer than 10 Stamps transactions. The highest recorded number of Stamps transactions in a single block is 975.

### Number of Blocks with Stamps (in Slabs)

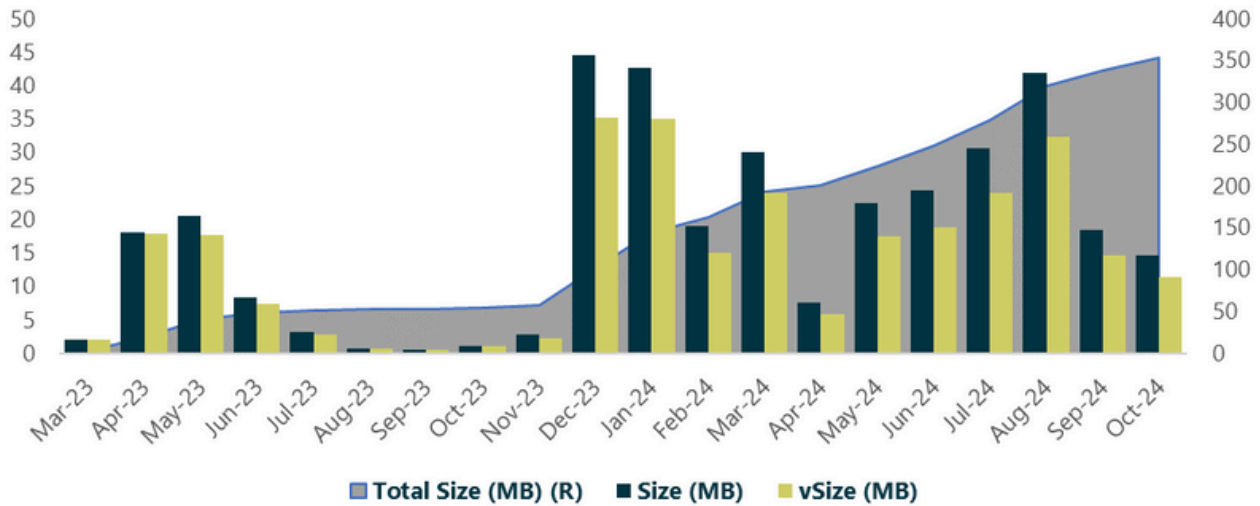


Source: SQRR Research. Data: stampchain.io. Created with: Datawrapper.  
Data as of 10 November 2024.

## Network Fees and Layer 1 Usage of the Stamps Protocol

By the end of October 2024, the size of the Bitcoin blockchain increased by 7.69 GB, reaching a total of 612.06 GB. The Stamps Protocol contributed to this growth, accounting for 0.19% of the overall increase by adding 14.68 MB of data during the month. To date, Stamps has contributed a total of 0.35 GB to the blockchain, representing approximately 0.06% of the entire network's size.

### Addition to the Blockchain Size (in Megabytes)

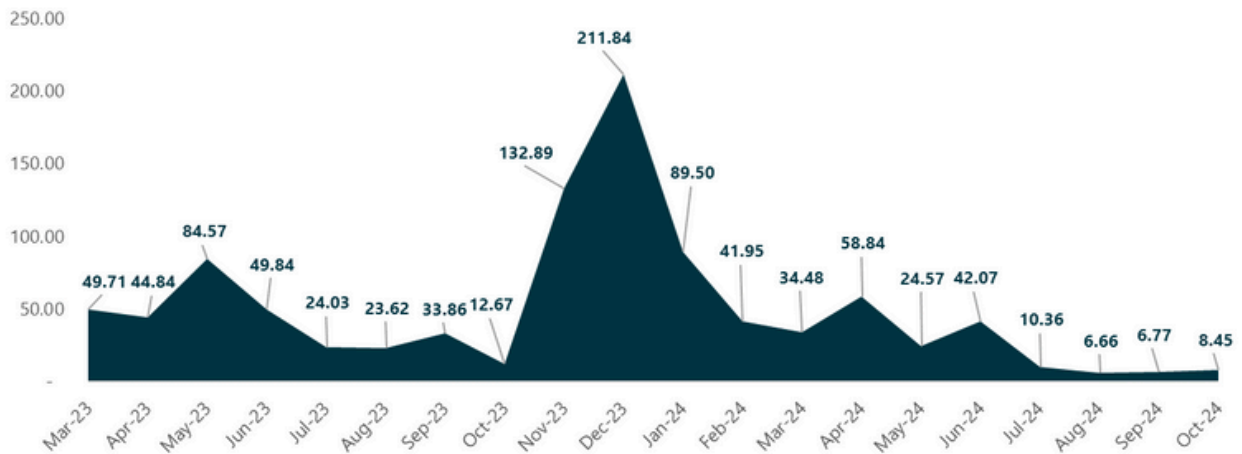


Source: SQRR Research. Data: stampchain.io, Flipsidecrypto.  
Data as of 31 October 2024.



In the past month, the average transaction fee rose slightly to 8.45 Sats/Byte, up from 6.77 Sats/Byte in the previous month. However, when we compare this to historical average fee levels, October still stands out as very economical; in fact, it was the third cheapest month for conducting Stamps transactions.

### Fee (Sats) per Byte



Source: SQRR Research. Data: stampchain.io, Flipsidecrypto.  
Data as of 31 October 2024.



The most data-intensive Stamp transaction in the month involved 1,810 outputs to store 78,120 bytes of data. The most expensive transaction incurred \$173.17 in miner fees. The latter was an SRC-20 transaction.

### Interesting Stamps (October 2024)

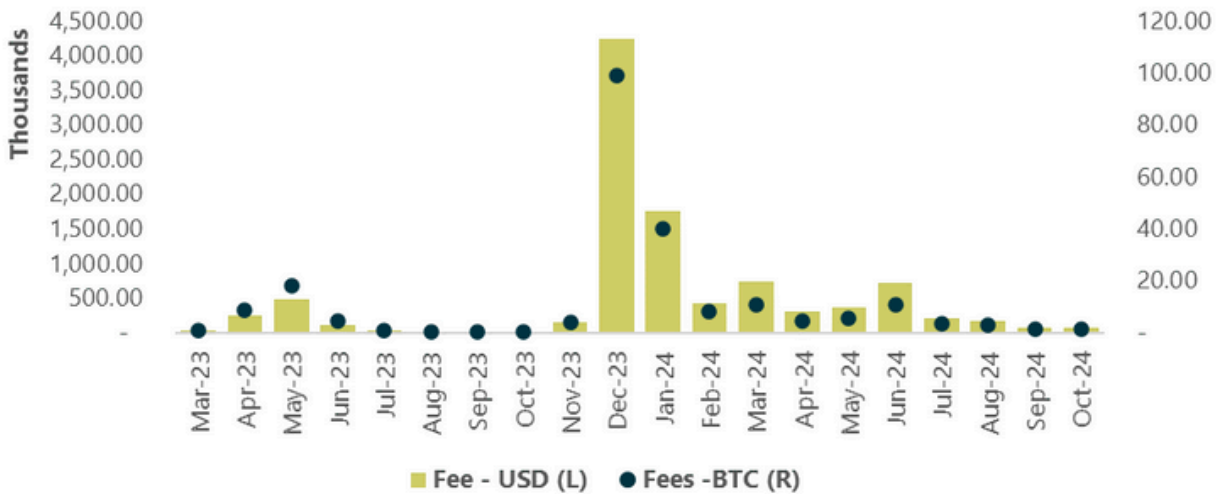
Item	Size (Bytes)	Fees (BTC)	Fees (\$)	Multi-sig Outputs	Dust (BTC)	Dust (\$)	Stamp ID
Largest Size	78,120	0.0019	116.09	1810*	0.0061	379.64	746290
Most Expensive	623	0.0026	173.17	2	1.6k**	1.08	SRC-20

Source: SQRR Research. Data: stampchain.io, Flipsidecrypto, Bitcoinvisuals. Data as of 31 October 2024. \* - An OLGA Stamp (UTXOs are not multi-sig. \*\*sats)



In October, Stamps transactions generated a total of 1.30 BTC in fees paid to Bitcoin miners, which is consistent with the total fees from September. However, the October fees were the lowest recorded in the past 11 months. Since the start of Stamps transactions, the overall fees earned by miners from including these transactions in Bitcoin blocks have reached 226 BTC, equivalent to USD 10.2 million.

### Monthly Total Fees (in BTC and USD)

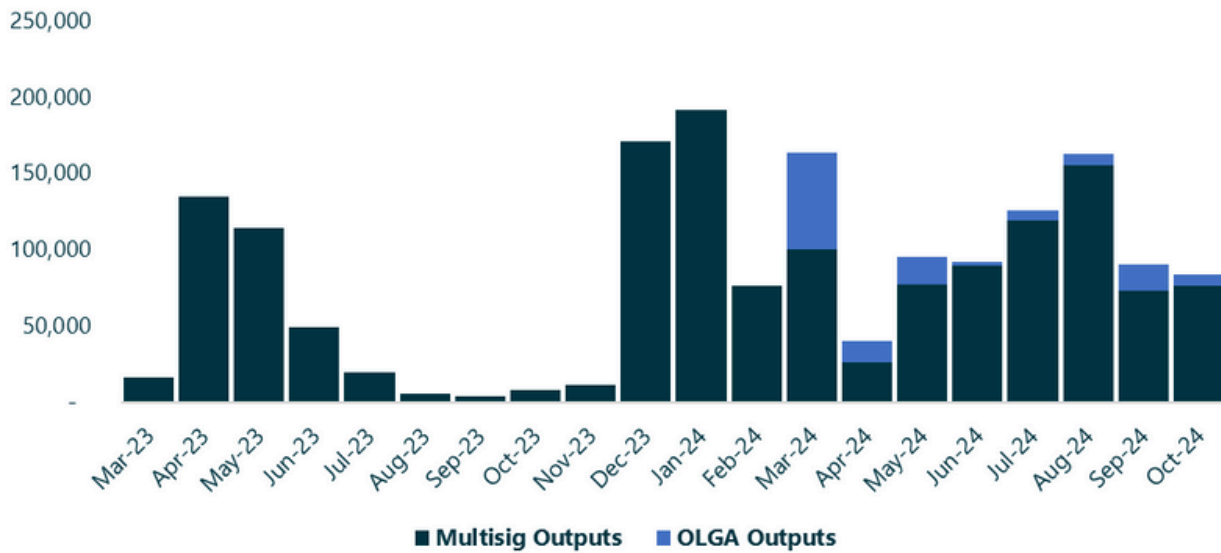


Source: SQRR Research. Data: stampchain.io, Flipsidecrypto, Bitcoinvisuals. Data as of 31 October 2024.



The recent introduction of the P2WSH encoding method as an alternative to the multi-sig method for SRC-20 transactions has led to a noticeable increase in its adoption. This month, there were 76,735 outputs utilizing both methods, contributing a total of 0.44 BTC in dust. In comparison, OLGA-Stamps accounted for 7,386 outputs.

### UTXO expansion

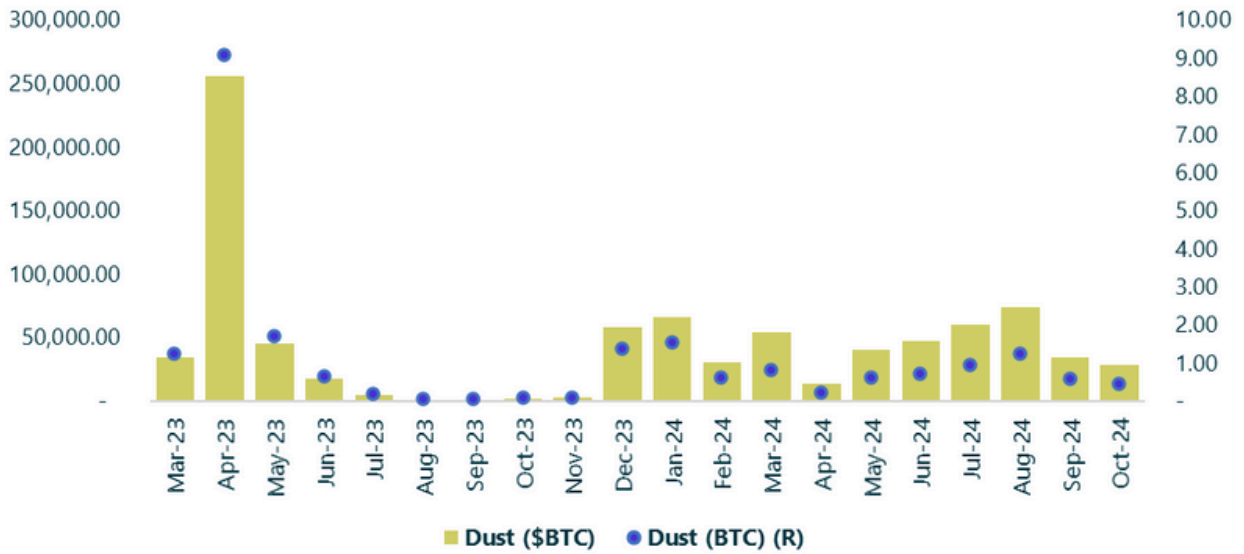


Source: SQRR Research. Data: stampchain.io, Flipside, Bitcoinvisuals, CoinGecko. Data as of 31 October 2024. Note: OLGA outputs include change outputs also.



By the end of October, 22.10 BTC worth of dust had been utilized in Stamps transactions. This amount is approximately USD 1.52 million (or USD 1.8 million at the current market price of BTC).

### Dust Used in Multi-Sig Outputs



Source: SQRR Research. Data: stampchain.io, Flipside, Bitcoinvisuals, CoinGecko. Data as of 31 October 2024.



The table below presents the multi-sig (and P2WSH used by SRC-20) and representative dust values up to October 10, 2024.

### UTXO expansion and Dust Used in Multi-Sig Outputs (Aggregate)

Item	Multi-sig Outputs	Dust (BTC)	Dust (\$)
Spendable	174,809	11.5484	324,726.37
Burn	1,364,377	10.7086	563,548.89
<b>Total</b>	<b>1,539,186</b>	<b>22.2570</b>	<b>888,275.26</b>

Source: SQRR Research. Data: stampchain.io, Flipside, Bitcoinvisuals, CoinGecko. Data as of 10 November 2024.



## Recent Developments

### The Stamps Development Fund

In the month, no change in the developer fund. The current balance of the Stamps Development Fund is 0.11833338 BTC (\$9,521.93). The fund has benefited from the recent Bitcoin price increase (BTC).

### Counterparty Update

Following the latest major update (v10.4.0), the Counterparty software received several fixes to address various issues that arose.

## Concluding Remarks

The recent rally in the crypto assets market has sparked a surge of interest in memecoins. Many communities have seized this opportunity, bringing several memecoins into the spotlight. While we are not taking a stance on whether memecoins are good or bad, we wonder if there was a missed opportunity to promote the SRC-20 standard during this current memecoin frenzy. Nevertheless, it did not gain traction. Whether this was a lost opportunity for raising awareness of SRC-20 or a blessing in disguise that ultimately benefits the Stamps community remains to be seen. Only time will tell!

## Provide Feedback

We value your feedback and strive to enhance our content and offerings based on your suggestions. Let us know what you enjoyed about this report and if there is anything we may have overlooked. We're eager to receive feedback and encourage you to share your thoughts with us at [research@sqrr.xyz](mailto:research@sqrr.xyz).

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