

July 13, 2024



Stamps Protocol

Monthly Update. July 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

- As expected, the Stamps Protocol showed strong activity in June, continuing the trend from May despite the bearish sentiment in the Bitcoin markets. The market direction did not dampen the positive sentiment for minting activity, mainly for SRC-20 tokens.
- In June, there were 59,979 Stamps transactions on-chain. The vast majority of the transactions were SRC-20. The total mints crossed the 500,000 mark in the month.
- However, the past month was one of the worst for Classic Stamps and SRC-721 mints. Interestingly, all these creations were the OLGA-Stamps. The total number of OLGA-Stamps created since launch now stands at 4,766.
- Since Bitcoin (BTC) has been moving sideways since June, Stamps minting activity may face challenges in July.

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.

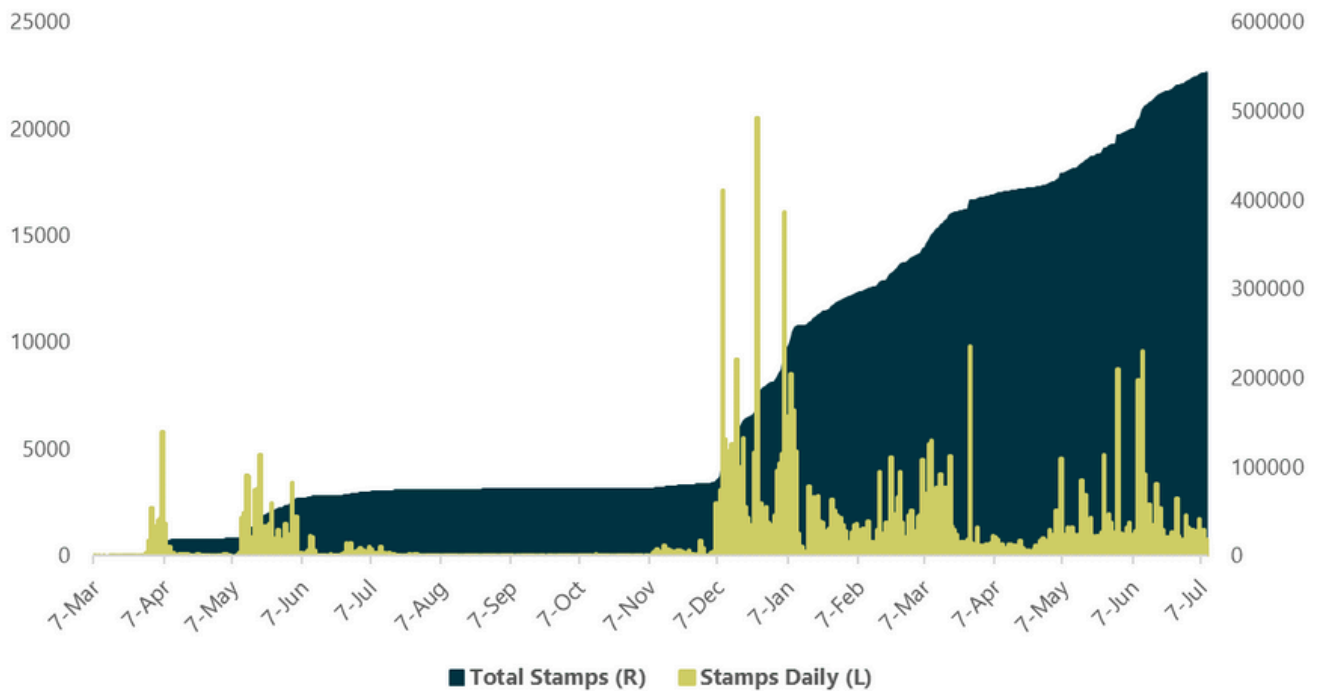
In our initial research paper, we dived into the details of the Stamps Protocol, accessible via this [link](#). We cordially recommend studying the comprehensive report.

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

Key Stats

Stamps Protocol had another month of robust activity, predominantly driven by SRC-20. In June, **59,979 Stamps** were minted, exceeding the 500,000 total Stamps milestone. This monthly figure makes June the month with the fourth-highest monthly mints, surpassing May, which now holds the fifth position. The total Stamps minted as of this writing have reached **549,929**.

Total Bitcoin Stamps Minted

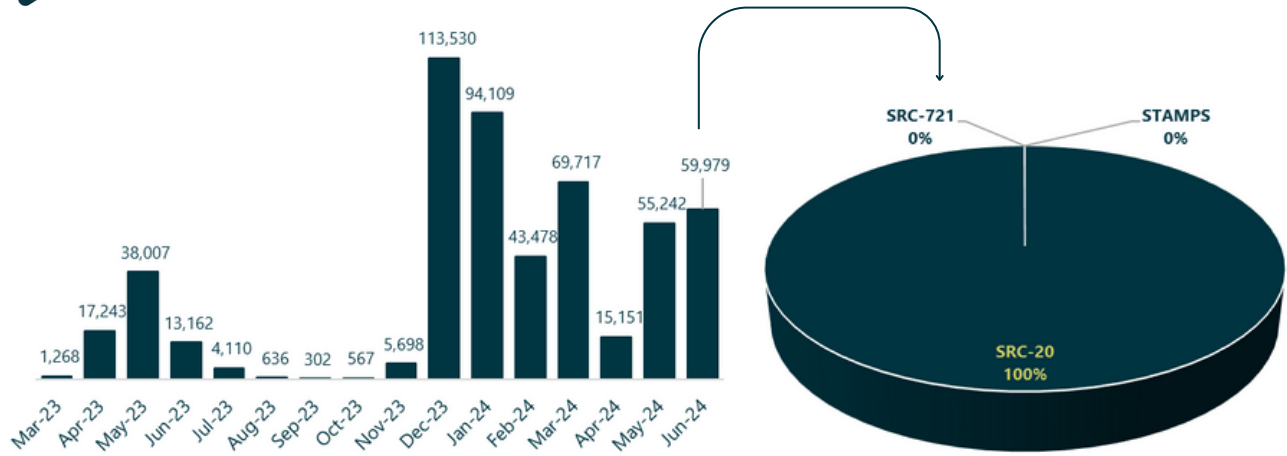


Source: SQRR Research. Data: stampchain.io.
Data as of 09 July 2024.

The majority of mints in the past month were SRC-20 transactions. Classic Stamps and SRC-721 activity were at their lowest for the month, with only 19 and 10 mints, respectively.

All Classic Stamps and SRC-721 mints are OLGA-stamps. Only 29 OLGA-Stamps were minted this month.

Minting Trend (monthly) & June 2024 Mint Types

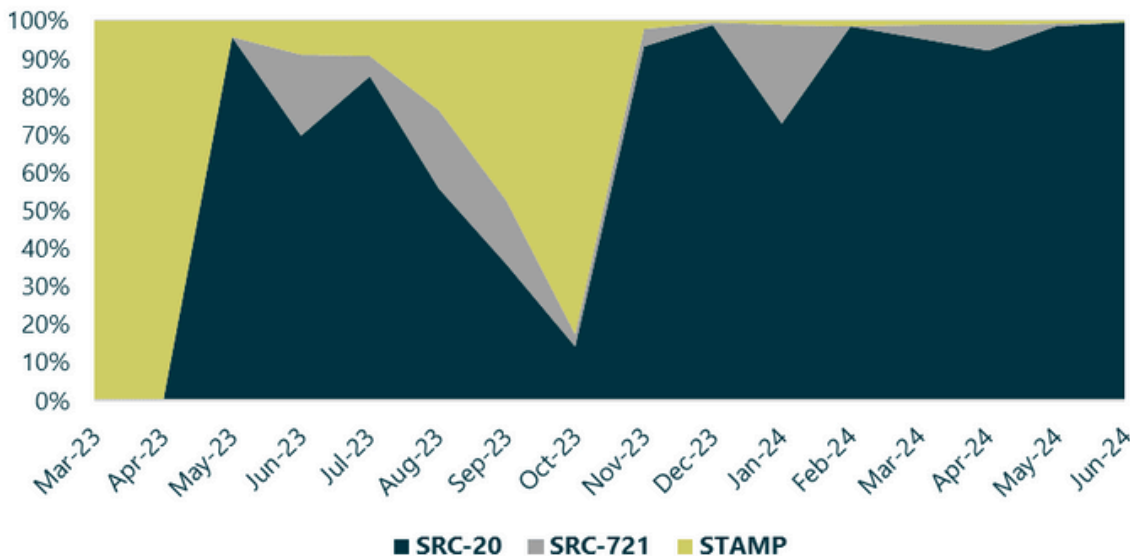


Source: SQRR Research. Data: stampchain.io.
Data as of 30 June 2024.



Data shows that only SRC-20 transaction growth contributed to the month-over-month activity increase, with 59,959 SRC-20 transactions, a 9.77% growth compared to May. The number of minted SRC-721 continued to decrease for the second consecutive month.

Minting Trend of Stamp Types



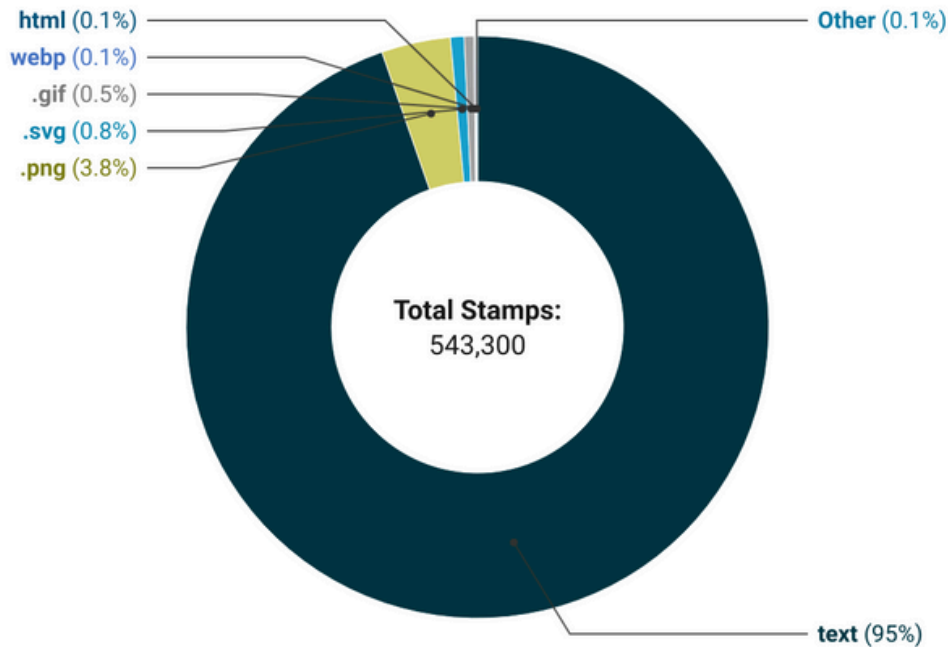
Source: SQRR Research. Data: stampchain.io.
Data as of 30 June 2024.



As of the end of June, 89% of the aggregate Stamps transactions were SRC-20 mints, most of which were 'TRANSFER' operations. The total number of SRC-721 and Classic

Stamps saw little change from the previous month due to the low number of mints in these categories. Since the launch, the total month-end counts for SRC-721 and Classic Stamps were 32,862 and 25,175, respectively.

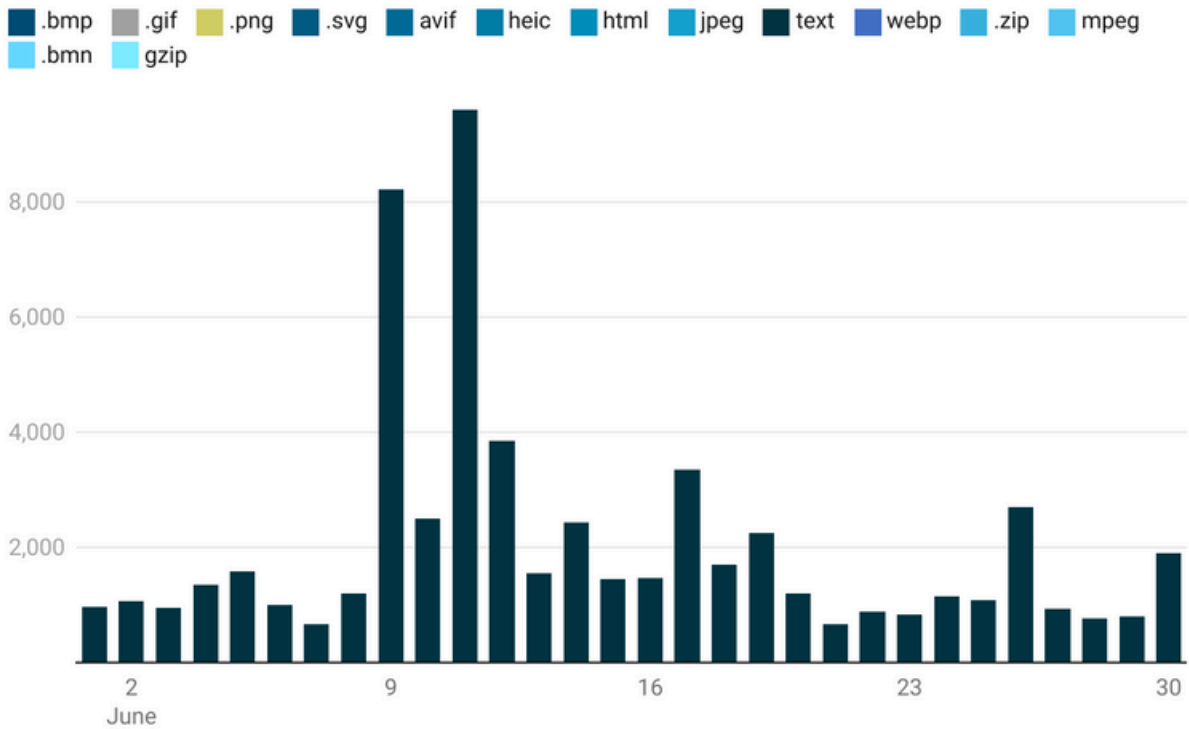
Bitcoin Stamps by Type



Source: SQRR Research. Data: stampchain.io. Created with: Datawrapper.
Data as of 09 July 2024.

Naturally, the 'TEXT' mime type was dominant due to the prevalence of SRC-20 Stamp types. The OLGA-stamps minters utilized various mime-types, with 'SVG' being the most commonly used.

Bitcoin Stamps by Type (overtime)

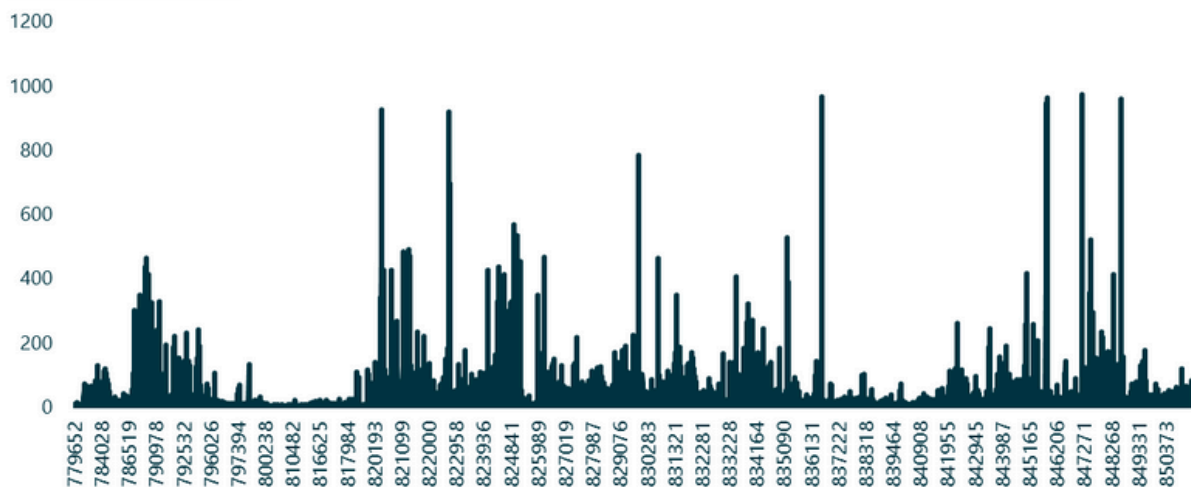


Source: SQRR Research. Data: stampchain.io. Created with: Datawrapper.
Data from 01 June to 30 June 2024.



The on-chain data indicates that 88% of the Bitcoin blocks produced in June, i.e., 3,561 blocks, contained Stamps transactions. As of the captured data, the total number of blocks containing Stamps was 36,318.

Number of Stamps by Block



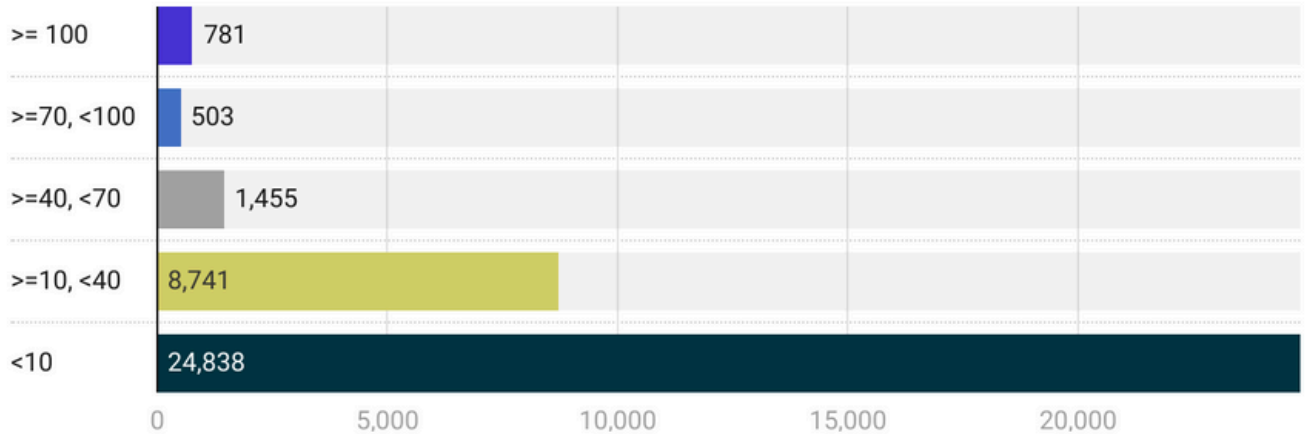
Source: SQRR Research. Data: stampchain.io.
Data as of 09 July 2024.



In the current month, a new record for the highest number of Stamps transactions in a block was set. Block number 847,229 contained 972 Stamps transactions, which accounted for around 17% of the 5,830 transactions in that block. All 972 transactions were SRC-20 'MINT' transactions.

Four blocks paid miners over \$25,000 in Stamps-related transaction fees, with the highest-paying block recording \$27,311.67.

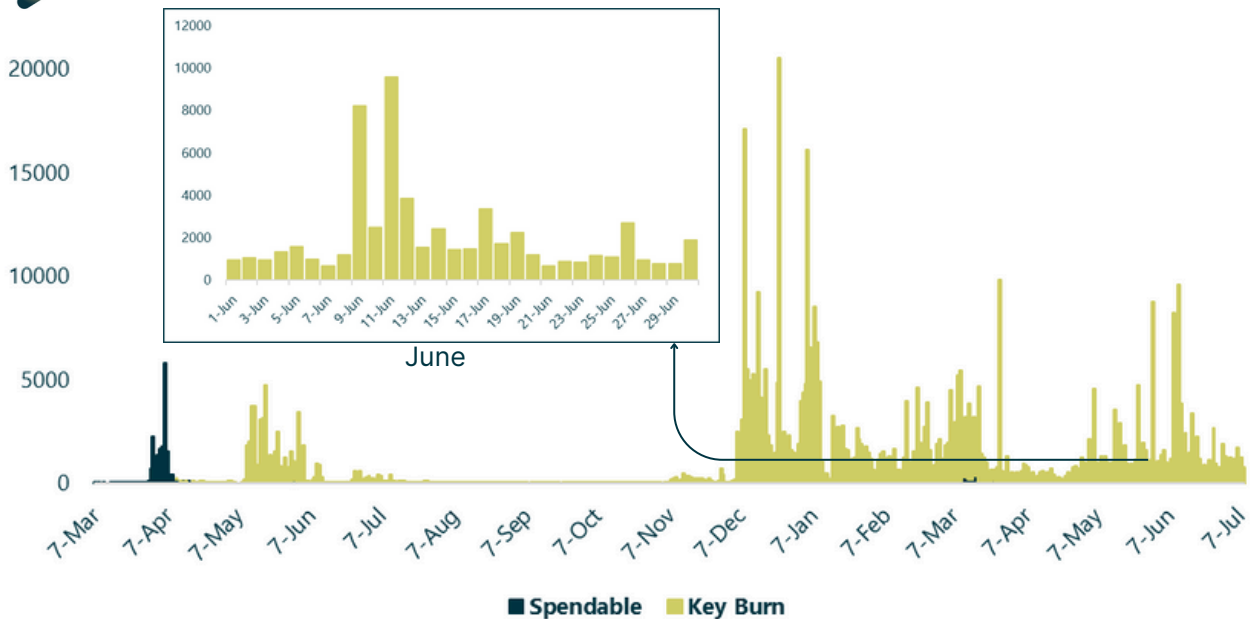
Number of Blocks with Stamps (in Slabs)



Source: SQRR Research. Data: stampchain.io. Created with: Datawrapper. Data as of 09 July 2024.

In the month, all of the outputs were sent to burn addresses by minters.

Key Burn vs Spendable Outputs

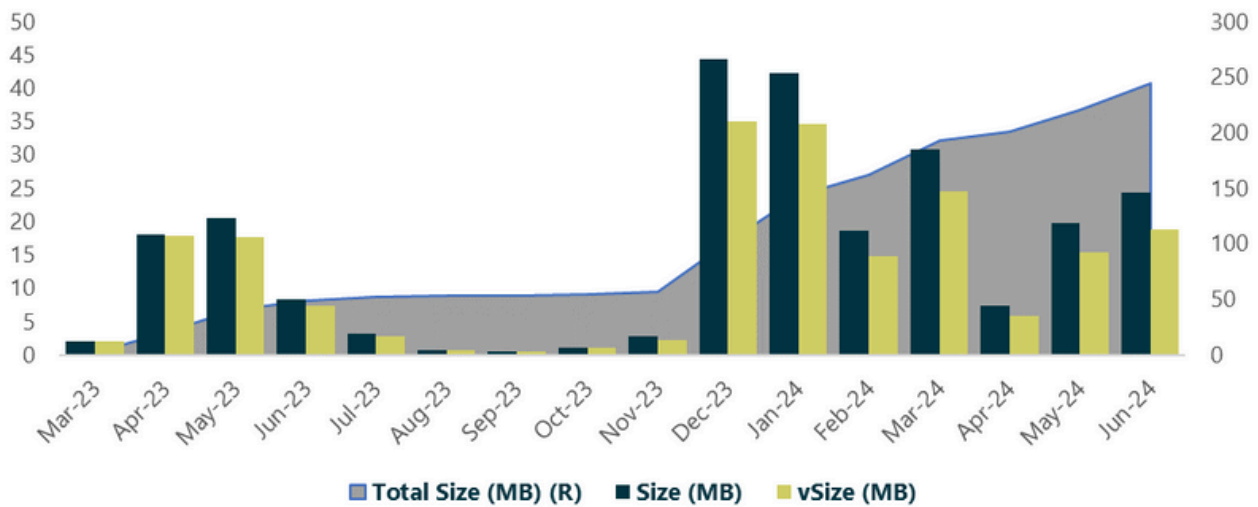


Source: SQRR Research. Data: stampchain.io. Data as of 09 July 2024.

Network Fees and Layer 1 Usage of the Stamps Protocol

In June, the Stamps Protocol activity contributed slightly more data to the Bitcoin network. The total data contribution was 9% higher than in May, at 24.28 MB compared to 22.37 MB in May. The entire Bitcoin network added 8.43% less data than the previous month. The network added 6.53 GB of data, bringing the total chain size to 582.66 GB, representing a 1.13% month-over-month growth. Stamps Protocol only contributed 0.37% to the monthly network size expansion. Since its launch, the Stamps Protocol has contributed 247.86 MB of data to the network, accounting for only 0.04% of the total chain size.

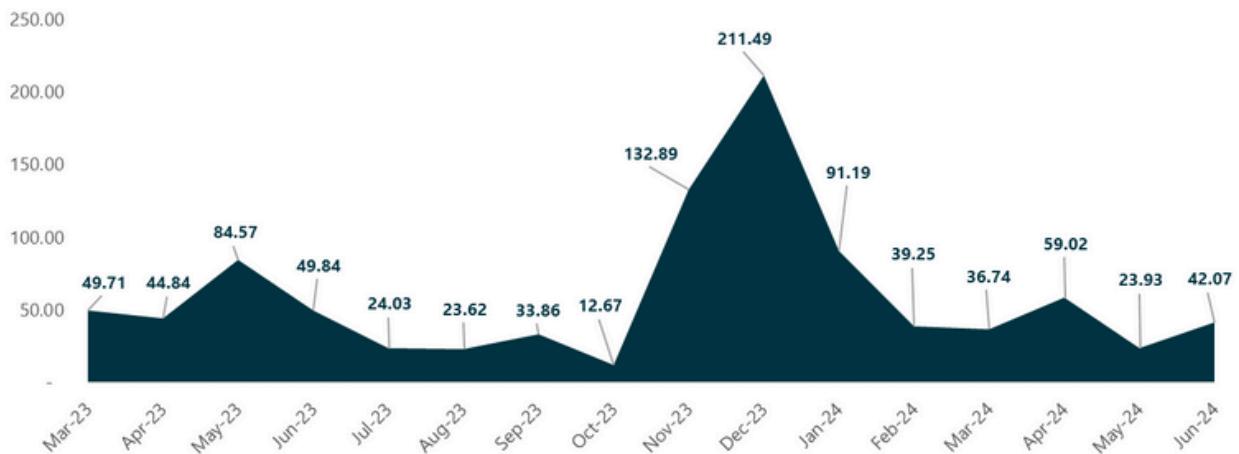
Addition to the Blockchain Size (in Megabytes)



Source: SQRR Research. Data: stampchain.io, Flipsidecrypto.
Data as of 30 June 2024.

The average minting fee increased by 71% to 42.07 Sats per Byte from 24.57 last month.

Fee (Sats) per Byte



Source: SQRR Research. Data: stampchain.io, Flipsidecrypto.
Data as of 30 June 2024.

An OLGA-Stamp with the identifier 530165 emerged as the most expensive and largest bytes contributed this month. None of the Stamp transactions in the month took more than two multi-sig outputs since most Stamps were of the SRC-20 standard type.

Interesting Stamps (June 2024)

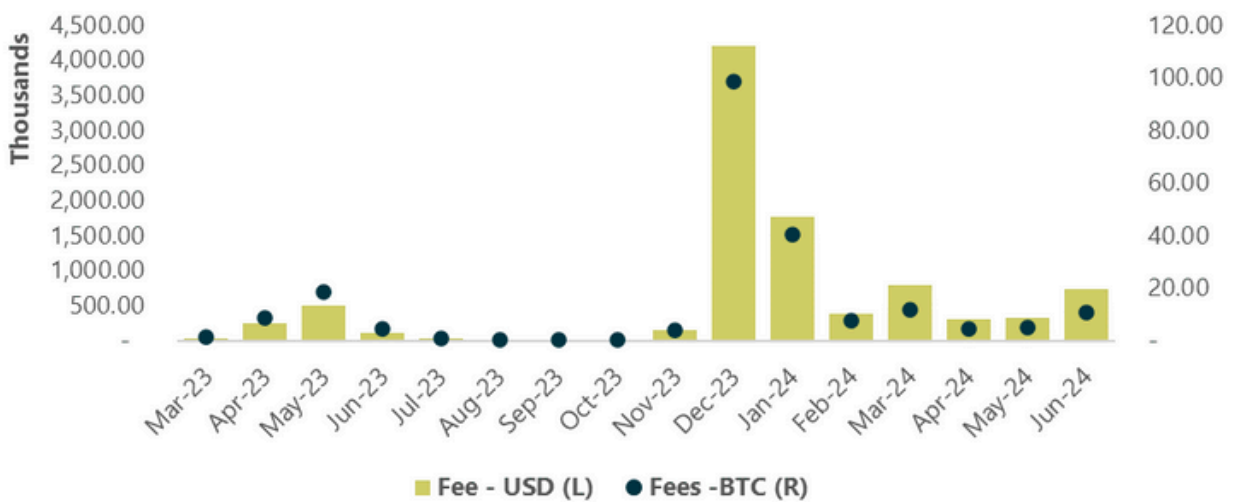
Item	Size (Bytes)	Fees (BTC)	Fees (\$)	Multi-sig Outputs	Dust (BTC)	Dust (\$)	Stamp ID
Largest Size	59,496	0.0042	258.51	1370*	0.0047	283.81	530165
Most Expensive	59,496	0.0042	258.51	1370*	0.0047	283.81	530165
Most Multi-sig outputs	Multiple Stamps with 2 Multi-sig Outputs						

Source: SQRR Research. Data: stampchain.io, Flipsidecrypto, Bitcoinvisuals. Data as of 30 June 2024. * - An OLGA Stamp (UTXOs are not multi-sig)



Stamps transactions resulted in 10.71 BTC in the month's miner fees (or \$726,923). This amount shows an 86% increase compared to last month when minters paid only 5.76 BTC in transaction fees. Stamps minters have paid 216.75 BTC in fees (around \$9.61 million) since the protocol was launched.

Monthly Total Fees (in BTC and USD)



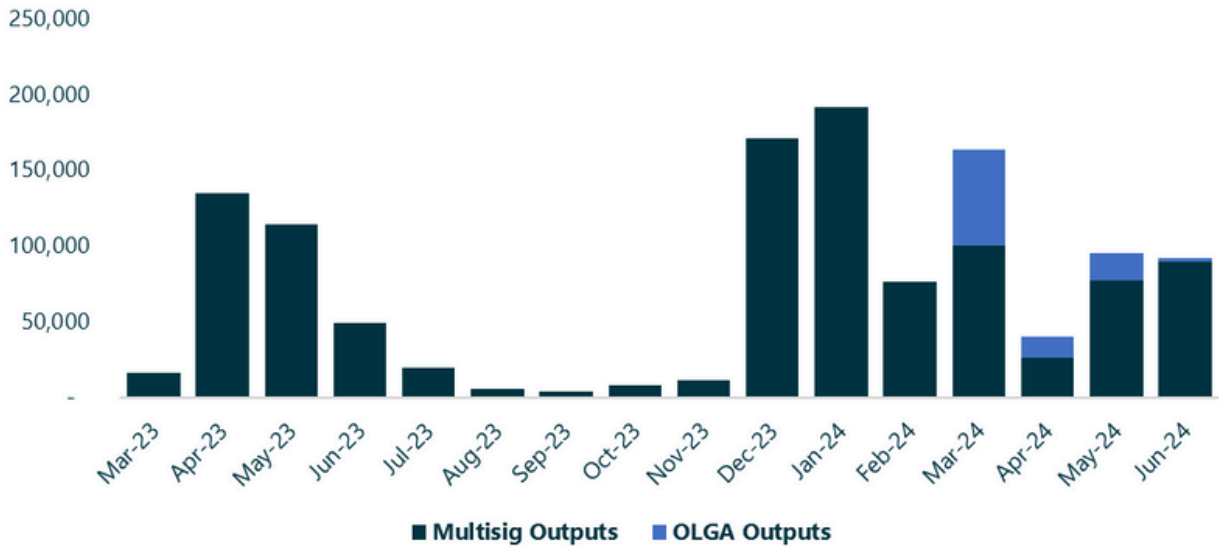
Source: SQRR Research. Data: stampchain.io, Flipsidecrypto, Bitcoinvisuals. Data as of 30 June 2024.



The total number of multi-sig outputs from Stamps activity has increased for the third consecutive month. As a result of Stamps transactions, there were 89,229 multi-sig outputs. The all-time multi-sig contribution is now around 1.1 million.

OLGA-Stamps witnessed the lowest monthly UTXO contribution in June, with only 2,965 due to the low number of mints in the month. According to on-chain data, it has contributed 99,206 outputs since it launched in March 2024.

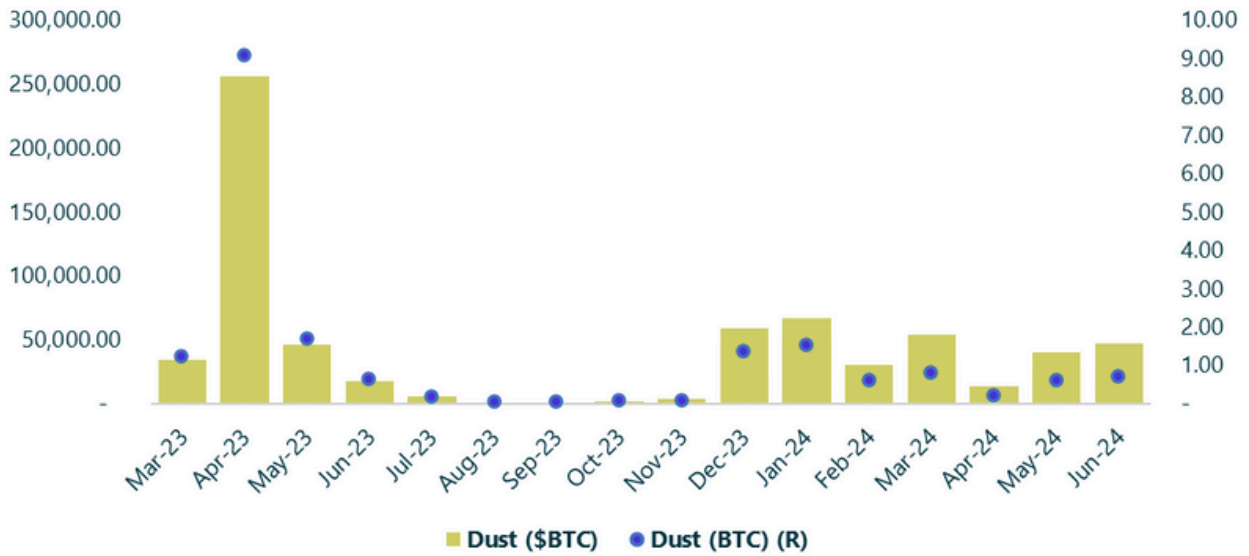
UTXO expansion



Source: SQRR Research. Data: stampchain.io, Flipside, Bitcoinvisuals.
Data as of 30 June 2024. Note: OLGA outputs include change outputs also.

Minters have assigned 0.71 BTC in Dust to the multi-sig outputs, resulting in a total Dust contribution of 18.91 BTC or \$678,920. Based on the current market price of BTC, the total Dust in multi-sig outputs is approximately \$1.12 million.

Dust Used in Multi-Sig Outputs



Source: SQRR Research. Data: stampchain.io, Flipside, Bitcoinvisuals.
Data as of 30 June 2024.



In June, the amount of Dust sent to spendable addresses remained constant. This trend is expected to continue due to the widespread use of SRC-20 and OLGA-Stamps.

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	942,318	7.5325	364,257.11
Total	1,117,127	19.0809	688,983.48

Source: SQRR Research. Data: stampchain.io, Flipside, Bitcoinvisuals.
Data as of 09 July 2024.



Recent Developments

The Stamps Development Fund

The Stamps Development Fund had no activity during the period, and its balance was 0.18632994 BTC, valued at \$10,968.58.

Concluding Remarks

In conclusion, despite the lackluster market sentiment, the Stamps Protocol has exhibited strong and resilient activity fueled by SRC-20 action. The notable performance in June under these challenging conditions underscores the Stamps community's strong commitment and belief in the ecosystem. Although not guaranteed, it may signify the potential for even greater Stamps activity should the Bitcoin market turn positive. This resilience positions the Stamps Protocol favorably for potential future growth and increased engagement, providing an optimistic outlook for the protocol's activity in the coming months.

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.

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