Q3 2024

Stellar Development Foundation
Quarter-in-Review

November 2024

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01.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

As we embark on making Stellar a standard for everyday financial services, the Stellar Development Foundation (SDF) maps our work to the following North Stars:

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Future-proof and sustainable Stellar

02
A focus on everyday financial services

03
Trustworthy technology stack to advance adoption

→ Read the following pages to see what SDF has accomplished this past quarter.

EXECUTIVE SUMMARY

WALLETS & INNOVATIONS

on the rise

$5.25 MILLION
Enterprise Fund & Matching Fund

Launch of
STELLAR COMMUNITY FUND 6.0

9 MILLION
Total addresses

MERIDIAN 2024

brought nearly 700 attendees, from 63 countries across more than 300 companies together in London

02.

NETWORK STATS

To measure and assess growth of the network over time, SDF has established a select group of metrics to track throughout 2024.

These metrics* serve as indicators of general usage of the network.
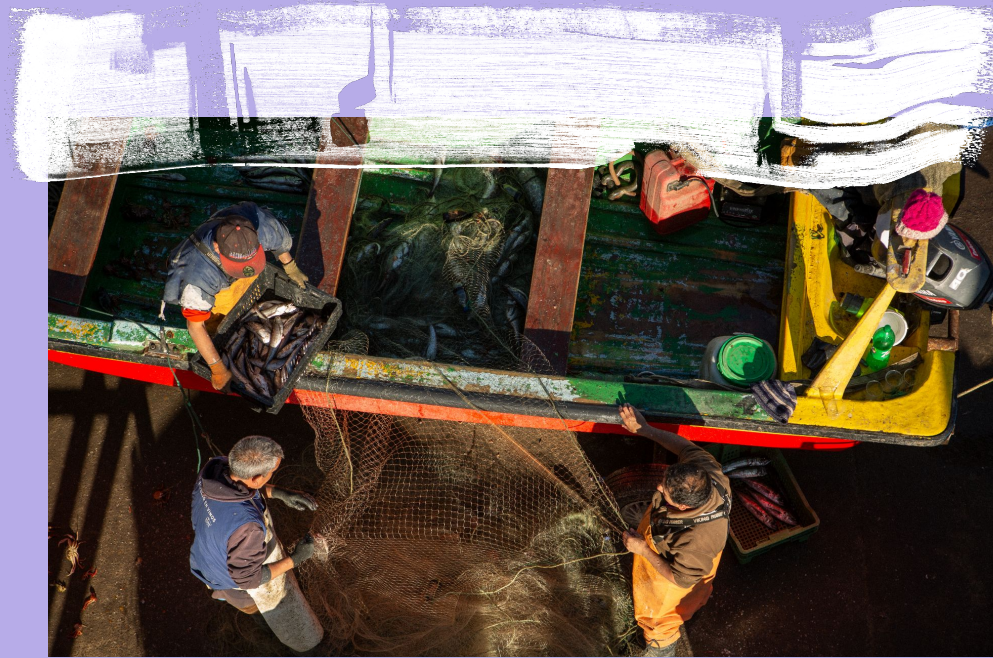
*As of 9/30/2024

Total Addresses

~9M

The total number of unique addresses on the Stellar network.

Real World Asset Supply

$590.4M

The total supply of real world assets expressed in USD.

Real World Asset Payments Volume

$3B

The total payments volume expressed for all real world assets expressed in USD.

Total Volume
$4.9B

$4.8B

Payments
Non-DEX transfers of value between two accounts

$117.2M

DEX
Orderbook and AMM trades

Total Operations

650.3M

The count of all operations on the network. Operations on Stellar are any functions that change the ledger state.

Decentralization Update

Average Ledger Close Time

5.7880s

The average time in seconds to close all ledgers during a quarter.
This metric highlights the health and stability of the network.

476
TOTAL
NODES

23
TIER 1
VALIDATOR
NODES

TOTAL ADDRESSES & TOTAL TRANSACTIONS

Total Addresses

Blockchain	Total Addresses	Rank
Ethereum	308M	1
Solana	119.7M	2
Polygon	102.1M	3
Sui	22.9M	4
Stellar	8.9M	5
Celo	8.7M	6

Total (successful) Q3 Transactions

Blockchain	Total Transactions	Rank
Solana	2.5B	1
Sui	757M	2
Stellar	650M	3
Polygon	192M	4
Ethereum	101M	5
Celo	98M	6

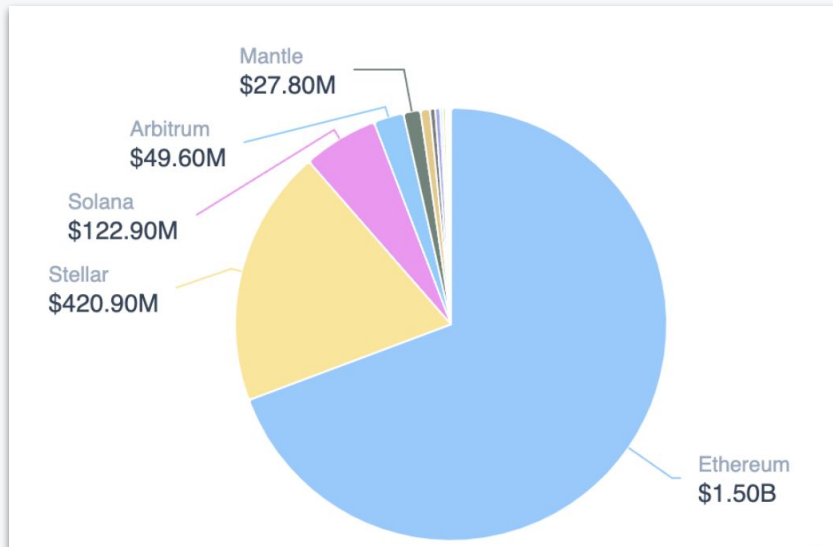Stellar operations are equivalent to the industry's transactions.

Source: *custom queries from* blockchain ETL datasets, *Celo*

REAL WORLD ASSETS

Stellar RWA Market Cap: **$590.4 M**

Tokenized Treasuries: #2

Pie chart:
- Mantle $27.80M
- Arbitrum $49.60M
- Solana $122.90M
- Stellar $420.90M
- Ethereum $1.50B

RWA Market Cap: #3

Blockchain	RWA Market Cap	Rank
Ethereum	88.9B	1
Solana	3.5B	2
Stellar	590.4M	3
Polygon	553.2M	4
Sui	425.9M	5
Celo	299M	6

Quarterly Report

Q3 ONCHAIN PAYMENTS

Blockchain	Total Q3 Payments	Rank
Solana	2B	1
Stellar	103M	2
Celo	86M	3
Polygon	66.7M	4
Ethereum	51M	5
Sui	16M	6

Source: custom queries from blockchain ETL datasets, *Celo data*

FEES

Blockchain	Q2 Average Fee	Q3 Average Fee	Rank
Stellar	0.000019	0.000014	1
Polygon	0.000535	0.000627	2
Celo	0.000889	0.000942	3
Solana	0.020070	0.004473	4
Sui	0.002185	0.005552	5
Ethereum	2.258490	2.539711	6

Source: custom queries from blockchain ETL datasets, Celo

BLOCK TIME & FINALITY

Ledger Close Time

Blockchain	Block Time	Rank
Solana	.47 seconds	1
Sui	.5 seconds	2
Polygon	2.12 seconds	3
Celo	5 seconds	4
Stellar	5.78 seconds	5
Ethereum	12 seconds	6

Source: *Chainspect*

Time to Finality

Blockchain	Finality	Rank
Stellar	0 seconds	1
Celo	0 seconds	1
Sui	.5 seconds	2
Solana	12.8 seconds	3
Polygon	4 minutes	4
Ethereum	16 minutes	5

03.

NORTH STAR 1: Future-proof and sustainable Stellar

BUILD A FLOURISHING SOROBAN ECOSYSTEM

Grow a thriving DeFi ecosystem with real, sustainable use cases leveraging smart contracts.

The Q3 objectives to build the Soroban ecosystem were to:

- Build out of a new unified analytics infrastructure which enables us to track our developer recruitment efforts from advertising and event spending all the way through to projects launching on mainnet.

- Increase ecosystem interoperability and visibility so that Soroban protocols work together and people can see their growth.

- 5 protocols are now tracked on DefiLlama.

- Protocols have begun to rely on each other as infrastructure; for example FxDao is utilizing Aquarius as its primary liquidity venue for its users.

- The first protocol crossed $5M in TVL (Blend) and 2 others crossed the $1M mark. Total Soroban TVL grew 250% in the quarter from $2M to $7M.

- Draper University Hacker House convened 30 founders and builders from 12 countries IRL in Silicon Valley to build on Stellar and Soroban.

We are seeing growth in the usage of protocols across the network both in terms of volume and TVL. While the numbers are growing off of a small base they continue to accelerate as more protocols launch and join the ecosystem.

We are seeing protocols leverage each other as building blocks which leads to compounding adoption and usage of the entire ecosystem.

STELLAR COMMUNITY FUND

The Stellar Community Fund (SCF) is an open-application awards program that draws on community input to support developers and startups building on Stellar.

communityfund.stellar.org

[Launched SCF 6.0](), the latest version of the Stellar Community Fund focused on supporting projects from ideation through launch and beyond. The first round of the new process resulted in the most submissions ever received, with 169 Kickstart Applications (Kickstart #7) and 151 Build Award submissions (SCF #30).

35 Soroban projects awarded over $2.2 million worth of XLM in SCF #29 (only one round this quarter due to SCF redesign and launch).

Twitter space to launch SCF 6.0 drew more than 2,000 viewers.

EXPAND SOROBAN FUNCTIONALITY AND SCALABILITY

Make Soroban a top tier smart contracts platform.

The objectives for Soroban development this quarter were to increase the usability and ease of adoption for users and applications building on Soroban, and increase the capabilities and capacity of Soroban.

The progress this quarter was as follows:

➔ Since the release of Protocol 21 at the end of Q2 which enabled passkeys, we have seen new and interesting uses and experiments built using this functionality.
➔ We completed work on Protocol 22 which will add among other things, support for BLS functionality which will enable a number of new security and privacy preserving features to be built on the network.

The results of this progress:

● We completed foundational work which will support the future scalability of Soroban including state archival, along with optimizations to the WASM runtime which will allow us to be more efficient in the ways transactions are processed on the network.

With the release of Protocol 22 we are approaching a feature complete state for all major Soroban functionality. Our work has already begun to shift focus towards increasing speed, performance and scalability to support a growing ecosystem of everyday financial services and the users who will rely on them. We will continue to engage the ecosystem to identify new proposed features and build in the open together as a community.

DEVELOP A ROADMAP FOR THE FUTURE OF STELLAR GOVERNANCE

Focused on a theory of governance and improved decentralization and safety.

The objectives for Stellar governance this quarter were to understand the pros and cons of governance on other blockchains; accurately map the size of the Stellar validator network; improve decentralization of Horizon; and release the Composable Data Platform, a lightweight, highly configurable and ultrafast data access layer for Stellar.

The progress this quarter:

➔   The high level governance roadmap has been mapped.
➔   The Horizon instance operated by the SDF was truncated to 1 year of chain data. This allows SDF to continue to offer the service for now, while encouraging users to migrate to alternative providers, improving data decentralization.
➔   Two major components of CDP were released, Galaxie and the Stellar Data Lake. Galaxie efficiently exports ledger information from the network. That data is stored in a data lake deployed on GCP.
➔   Stellar Core released an updated survey feature, which allows any Tier 1 node to survey the network. The survey finds the network to have 476 nodes (watchers and validators), much larger than previous community estimates.

DEVELOPER EXPERIENCE

Establish a best-in-class developer experience. Developer tooling and documentation is comprehensive, easy-to-use and surface on demand, is designed to support builders at any stage, and creates a seamless experience.

The objectives this quarter were to streamline developer documentation and foster increased community contributions; improve Stella Bot to enhance the developer onboarding experience; create a Unified CLI that supports both Stellar and Soroban environments; enhance the JS SDK to provide a smoother, more efficient developer experience; and launch Stellar Lab v2 with upgraded features and enhanced functionality.

The progress this quarter was as follows:

➔   In a successful Developer Documentation Bounty, we achieved high community engagement and contributions from community members.
➔   Through Docpocalyses, we increased shared engineering ownership through to the Stellar Developer Docs.
➔   Stella Bot was successfully launched, achieving high adoption and playing a useful role in improving developer onboarding.
➔   Stellar CLI saw enhanced functionality, now supporting Stellar operations, alias, ledger snapshot, and cookbooks.
➔   Launch of Stellar Lab v2 introduced new features, including RPC methods and the XDR to JSON mapping.

The results of these activities:

●   The Developer Documentation Bounty saw over 50 merged pull requests from community contributors.
●   The Q3 developer NPS (Net Promoter Score) was 67.86, reflecting strong satisfaction within the developer community.

By improving the developer experience, through better onboarding, higher satisfaction, and enhanced productivity, we can contribute to the overall success of Stellar as an ecosystem, fostering growth, innovation, and sustained community engagement.

04.

NORTH STAR 2:
A focus on everyday financial services

PRODUCT UPDATES: ASSET TOKENIZATION

Increase adoption of tokenized assets that are providing utility on the network.

The objectives for this quarter were to deliver new institutional users, deliver new end users, and bring new volume to the network.

HIGHLIGHTS

→ Stellar USDC reached an all-time supply high of $294M with total asset holders exceeding 315,000.
→ Benji (Franklin Templeton) also reached an all-time supply high of roughly $450M.
→ Bloomberg featured Denelle Dixon discussing blockchain technology solving challenges for refugees and everyday people alike with stablecoins and through the upcoming Transparent Network in Ukraine ([Watch](#)). Positive coverage by national media outlets lends credibility and awareness of the Stellar ecosystem's impact, the utility of stablecoins, and the need for regulatory clarity from policymakers in the US.

PRODUCT UPDATES: RAMPS AND WALLETS

Increase adoption of ramps and wallets that are providing utility on the network.

The objectives for this quarter were to support the launch of the MoneyGram wallet; scale existing wallets in terms of adding net new users, ramps integrations, and launching into new markets; and add net new wallets.

Introducing new wallets to the ecosystem in different regions, and providing additional use cases, increases the reach of the Stellar ecosystem, allowing more people around the world to use and benefit from it.

HIGHLIGHTS

→ Launch of the MoneyGram wallet in the US and Brazil.
→ 4 new wallets certified (live) with MoneyGram Access: Ejara, EspressoCash, TruBit, MoneyFlap.
→ 5 new wallets were signed and kicked off with MoneyGram Access: Arculus, Coins.ph, Owlpay, Klickl, ZyptoPay.
→ In Q3, we saw a 50% increase in new accounts from ecosystem applications and wallets, and a 26% increase in monthly active accounts from ecosystem applications and wallets.
→ Airtm continues to drive growth in Q3, with significant new accounts and consistent use of Stellar based assets.
→ Innovations across Stellar ecosystem wallets, include smart wallet passkeys, instant USDC chainswap, gasless transactions, advanced searchability, DEX integration, global banking ramps, and bill pay. Taken together, these innovations provide a gateway into a new financial system for new crypto users. The Stellar ecosystem is building wallets for the real world.

PRODUCT UPDATES: AID & DISBURSEMENTS

Increase adoption of the utility that Stellar Aid Assist and the Stellar Disbursement Platform (SDP).

The objectives for this quarter were to deliver new institutional and end users, and bring new volume to the network.

SDF is committed to transparency and openness, and open-sourced the Stellar Disbursement Platform (SDP) so that anyone in the world can benefit from this technology.

HIGHLIGHTS

→ Stellar Aid Assist continues to benefit people in need around the globe, with the product hitting $1M/month in July.

→ Stellar Aid Assist continues to scale up, with more updates to come.

PRODUCT UPDATES: VIBRANT

Increase adoption of the utility that Vibrant is providing on the network.

The objectives for Vibrant this quarter were to expand geographically to new regions; grow spend capabilities beyond bill pay, and gift cards; and preparing mobile top-up to include a prepaid card option.

HIGHLIGHTS

→   Launched new ramps (USDC Access by Circle and Kado) in Argentina, Mexico, and the US.
→   Launched new user acquisition and retention campaigns – weekly Vibrant afternoons, card voting, Copa América.
→   Built MVP for prepaid cards in Argentina.
→   Grew the local team in Argentina.

With its growth, new feature launches, and targeted marketing internationally, Vibrant is driving real-user transactions, growth, and adoption of the Stellar ecosystem.

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KEY OUTPUTS

Overall, Vibrant saw strong growth and drove real-world use:

→   Achieved record-breaking year-over-year growth, surpassing last year's performance in transaction count and volume across USDC, ARST, and XLM.

→   USDC deposit volume up 25% quarter-over-quarter.

→   The USDC Access launch was a standout success, generating $100,000 in USDC volume within the first week – exclusively from organic traffic.

→   Through Vibrant Assist, continued to distribute aid to refugees.

→   Vibrant Card is launch-ready and set to go live in Q4.

FUNDING UPDATES

Q3 Enterprise Fund Investments

SDF led Shift Markets' Series A round with a $4M investment. Shift Markets' crypto-as-a-service technology allows anyone to commercialize digital assets and is accelerating SaaS infrastructure for bringing the FX market onchain.

SDF also made a $1M investment into 00 Holdings (fka Arf & Huma), pioneering a category of RWA coined PayFi, designed to bring compliant, instant liquidity for both on and off-chain payment applications. To-date, 00 Holdings has enabled over $2B of onchain USDC transaction volume on the Stellar network.

This is SDF's second investment in 00 Holdings. This investment seeks to bring new network benefits such as integrating 00 Holding's tokenization protocol and grow the TVL of tokenized PayFi assets on the Stellar network.

Investment of

$5M

FUNDING UPDATES

Q3 Matching Fund Investments

SDF made a $250K investment into Blaze (S24), a unified payments app for digital nomads and expats from the US and EU living across LatAm. SDF was an early backers of the startup prior to their YC acceptance.

This investment aims to bring network benefits and growth through the use of USDC on Stellar as the onchain transaction medium.

Investment of

$250K

05.

NORTH STAR 3: Trustworthy technology stack to advance adoption

PRIORITIZE SAFETY FOR SOROBAN

Fostering a secure smart contract ecosystem.

TThe objective this quarter was to focus on the technical capabilities and third party services necessary to establish Soroban as a leader in safety.

HIGHLIGHTS

→ Key defi components professionally audited.

→ Soroban runtime professionally audited.

→ Soroban is a key player in Smart Contract security academic research.

→ Security is a first-class component in the Soroban developer journey.

KEY OUTPUTS

→ Updates on the active Soroban Security Audit Bank, which is distributing up to 1 million dollars in security audit credits in coordination with six top-tier audit firms: 8 audits completed, and 2 additional in progress to be completed next quarter.

→ Security tooling program approved.

→ WASMI Audit in progress.

→ Research: two WASM related grant proposals.

→ Blockaid integrated with Freighter and Lobstr.

→ Snapshot testing live in the CLI.

MARKETING HIGHLIGHTS

Drive awareness & engagement of the Soroban smart contracts launch.

These are some of the highlights:

➔ With smart contracts on mainnet for 3 months, the focus has been getting the word out that developers have the tools to create exceptional projects on Stellar.

➔ The Build Better campaign is going strong, telling a fully integrated, multi-channel story to builders why Stellar and smart contracts on Stellar is the answer.

➔ This quarter's conference circuit started with Stellar Synch @ ethcc, and ended with a big week at Token 2049 where the team was represented at the main conference as well as PayFi and Stablecoin Standard side events.

➔ Growth of developers on Stellar is on an upward trend and they are the life-blood for the vitality of the network. The Soroban story is resonating well with the developer audience.

MERIDIAN 2024

London | Oct 15-17

Last month, the Stellar Development Foundation (SDF) and the Stellar ecosystem wrapped up three days of sessions highlighting the growth in the Stellar network's ecosystem and featured exciting announcements from a number of partner organizations.

Some of the highlights from Meridian 2024 include:

- Tala unveiled its crypto wallet.

- Stripe announced crypto payouts on Stellar.

- MoneyGram International announced its new wallet built on Stellar.

- Dune announced that Stellar is now fully integrated into the platform.

- Idris Elba debuted the Akuna Wallet, a crypto wallet targeting African creators in partnership with Chipper Cash and the Republic of Ghana.

- Mastercard announced the the company's Crypto Credential solution to verify interactions among consumers and businesses is coming to Stellar.

- Paxos announced it will integrate with the Stellar network, bringing its USDL stablecoin to a wider audience.

- Blockaid announced its security technology is coming to the Stellar ecosystem.

- Etherfuse announced it will join the Stellar network in 2025.

Catch up on all the sessions here.

STELLAR IN THE NEWS

News Coverage

Bloomberg Crypto   SEPTEMBER 27, 2024

Crypto's Real-World Assets Are Finally Heading to Prime Time

→   The Stellar Onchain Effect: Real-World Impact on Real-World People | Boys Club

→   The time for US stablecoin regulation is now | Blockworks

→   US lawmakers meet with crypto advocates in DC roundtable | CoinTelegraph

→   Tokenized RWA Platform Huma Finance Gets $38M Investment, Plans Expansion to Solana and Stellar's Soroban | CoinDesk

ADVANCE DIGITAL ASSET POLICY

The objective this quarter was to continue building momentum around shaping digital asset policy worldwide by engaging with key policymakers, NGOs, central banks, and leading interest groups.

HIGHLIGHTS

➔ The policy team focused on crafting new SDF policy positioning on public blockchains as a form of financial market infrastructure, as well as expanding and deepening relationships with authorities and regulators.

➔ The team launched the SDF Policy Hub an educational resource for the various policy issues and thought leadership that SDF is advancing.

➔ Ongoing outreach to US and global regulators, including Monetary Authority of Singapore, Financial Conduct Authority (UK), European Banking Association (EU), and Office of the Comptroller of the Currency (US).

➔ The team contributed to a thought leadership piece on the use of open-source, public blockchains to the Official Monetary and Financial Institutions Forum's (OMFIF) Fall Digital Assets Report.

➔ Published a piece on settlement finality on open-source, public blockchains for the Stablecoin Standard.

➔ Chief Legal and Policy Officer, Candace Kelly, spoke at the Atlantic Council's Geopolitics Summit on the geopolitics of payments and the role of the US dollar during the UN General Assembly week. Candace also participated in a panel for the Digital Monetary Institute at OMFIF on benefits and challenges of new market infrastructure and tokenization.

06.

MANDATE & DISTRIBUTION

MANDATE & DISTRIBUTION

Overview

SDF is a non-profit organization whose mission is to create equitable access to the global financial system. SDF has no shareholders, no dividends, and no profit motive. The Foundation is funded by some of the lumens generated by the Stellar protocol at inception. Today, SDF holds roughly 21 billion lumens, and all of those lumens will eventually be used to enhance and promote Stellar.

Live accounting of the addresses with those lumens and funds are available on SDF's mandate page. SDF details exactly which ledger addresses hold those funds and exactly how those funds will contribute to Stellar's success. Anyone can observe progress towards SDF's stated goals, more or less in real time. The next slides cover a summary of how lumens were allocated in Q3 of 2024.

MANDATE & DISTRIBUTION

Lumen Distribution | July - September 2024[1]

Mandate Category	Wallet	Amount	Uses
Direct Development	Various	352,406,585	SDF Operations, Employee Grants
Ecosystem Support	Currency Support	6,793,297	BCP, Taurus, STSS Limited, Bitstamp, Settle Network, Cumberland, Zodia Custody, JST Digital Trading
	Developer Support	68,431,306	SCF, Infrastructure, University of Sydney, PricewaterhouseCoopers, DataLego, ETH Zurich, University of San Francisco, Coinspect, Blockchain Acceleration Foundation, Noumena Digital, Quarkslab, Runtime Verification, Otter Audits, Cheesecake Labs, Ubertesters, HackerOne, PointPay, Purity Ochuko, Buenbit Aware, Beans
User Acquisition	Enterprise Fund	71,517,588	Shift Markets, Blaze, Arf, Kredete Inc, Draper University
	Marketing Support	582,515	Beans
Use-Case Investment	In-app Distribution	0	a
	New Products	68,463,954	MoneyGram International Inc.

[1] From time to time, SDF makes payments in dollars, and then later moves lumens from the relevant wallet into a Direct Development wallet. The amount of lumens is calculated using the price of lumens on the day of the dollar payment. This table compiles lumen distributions accrued in the quarter, even if the actual transfer occurred after the end of the quarter.

MANDATE & DISTRIBUTION

SDF Account Balances as of Oct 1, 2024

Mandate Category	Wallet	Amount
Direct Development	Direct Development	3,499,132,777
	Jan 1 2021 Escrow	0
	Jan 1 2022 Escrow	0
	Jan 1 2023 Escrow	0
	Direct Development Hot Wallets[2]	361,722,486
Ecosystem Support	Developer Support	387,265,701
	Developer Support Hot Wallet	49,841,667
	Currency Support	845,259,701
Use-Case Investment	New Products	1,563,903,518
	Enterprise Fund	7,400,062,777
Use-Case Acquisition	In-app Distribution	3,856,599,180
	In-app Distribution (Hot)	83,403,149
	Marketing Support	1,976,995,043

[2] SDF maintains multiple hot wallets, which in this chart are aggregated by category. A complete list of SDF accounts can be found on Stellar Expert (https://stellar.expert/directory?tag[]=sdf) or on the SDF Mandate Page (https://www.stellar.org/foundation/mandate).

Stellar

NEXT REPORT: Q4 IN JAN 2025 👋

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