



Q2 2024

Stellar Development Foundation
Quarter-in-Review

July 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:

01

Future-proof and sustainable Stellar

02

Focus on everyday financial services

03

Trustworthy technology stack advances adoption



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

EXECUTIVE SUMMARY

\$7.8 MILLION

Enterprise Fund & Matching Fund

STELLAR COMMUNITY FUND

\$5M

worth of lumens awarded

107

submissions

86

building on Soroban

Two year anniversary

MONEYGRAM ACCESS



STATE ARCHIVAL PROPOSAL APPROVED

industry and community discussion



SOROBAN

bringing in new devs, projects, and volume



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 6/30/2024



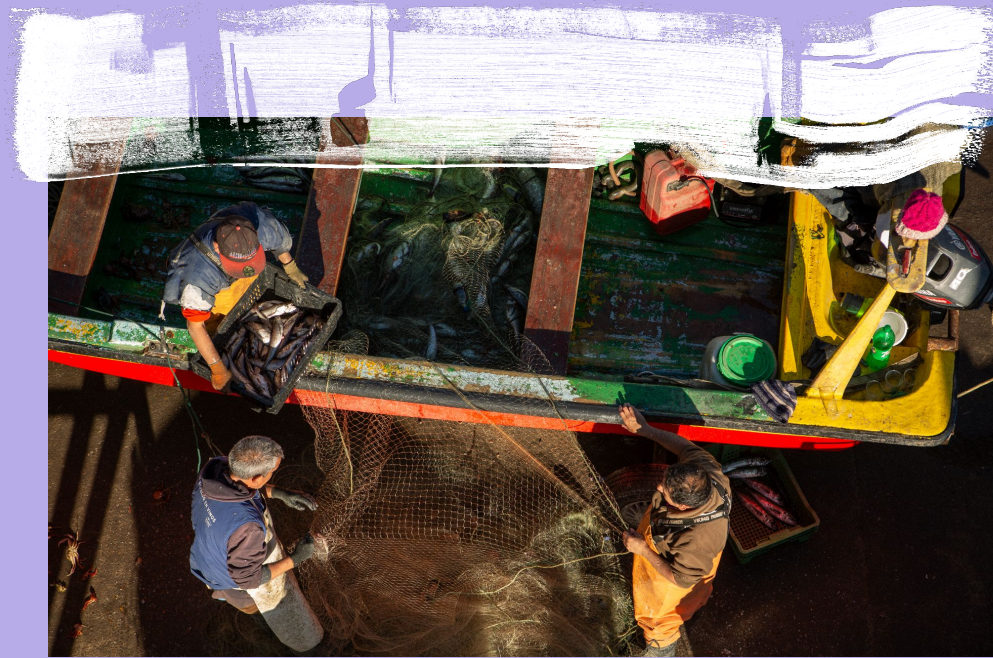
Total Addresses

~8.4M

The total number of unique addresses on the Stellar network.

Real World Asset Supply **\$598.6M**

The total supply of real world assets
expressed in USD.





Real World Asset Payments Volume

\$1.8B

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

Total Volume
\$3.9B

\$3.8B

Payments

Non-DEX transfers of value between two accounts

\$127.4M

DEX

Orderbook and AMM trades





Total Operations

742.9M

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

Daily Transactions by Total Fees Charged



Average Transaction Cost

\$0.000053

\$21,314.36

Total fees charged in Q2

403.4M

Total transactions

Decentralization Update

Average Ledger Close Time

5.9235s

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

147
TOTAL
NODES

23
TIER 1
VALIDATOR
NODES

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 objectives throughout Q2 for building the Soroban ecosystem were to:

- Add support programs that boost the Soroban ecosystem's launch and liquidity.
- Increase efforts to build awareness and recruit an increasing number of builders in developing markets.
- Act as an ecosystem facilitator, connecting newly launched protocols with existing ecosystem applications.

We are doubling down on our efforts to recruit more projects with a particular focus on developing markets which Stellar, Soroban and our ecosystem are built to serve.

Our efforts across the builder acquisition and support funnel are working, and the projects being recruited and built on Soroban are finding product market fit as they are integrated into end user applications serving users in underserved markets.



Blend [launched](#) and saw nearly \$2million in TVL. Meru was the first wallet to [integrate](#) Blend, enabling their users to earn yield on USDC directly from the app. As projects like Blend and Meru successfully integrate, we are encouraging deeper cross-project collaboration across the ecosystem.



Builder education has rapidly scaled up and seen significant growth, with activities at over 40 events, reaching 2000+ attendees. One such event—the [Stellar Cash-to-DeFi Challenge](#) hosted by EasyA at Consensus—attracted hundreds, submitting 35 projects.



The mid-year Electric Capital Developer Report [update](#) reported a 91% increase in monthly active devs and a 124% increase in monthly commits, as well as 1.7 total commits over the past 3 years. The increased surface area for innovation on Stellar as a result of Soroban smart contracts means a growing and engaged 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



Stellar Community Fund rounds **#26-28** were completed this past quarter, with **338** submissions received across new and existing projects.



More than **\$5M worth of XLM** was awarded to **107 projects** with input from the community, 80 of which were new projects.



86 of the projects awarded are building on Soroban.

EXPAND SOROBAN FUNCTIONALITY AND SCALABILITY

Make Soroban a top tier smart contracts platform

The objectives for Soroban development this quarter were to increase throughput while ensuring usability, make use cases accessible from user-facing platforms, and empower the ecosystem to add functionality and create standards.

The progress this quarter was as follows:

- Progress was made on the effort to [solve state bloat](#). A new [proposal](#) for state archival was submitted and discussed in a protocol meeting with the community. The full technical specification for it can be found [here](#), and the proof specification can be found [here](#). This progress on state archival kicked off broader conversations about scaling challenges, notably with Solana Labs Co-Founder [@aeyakovenko](#), who joined a Twitter Space to discuss further.
- Two bridge integrations were completed. Allbridge Core and Pendulum went live, and were integrated by defi protocols to make cross-chain swaps possible.
- The [Stellar Ecosystem Proposal for a Standard Web Wallet API Interface](#) was finalized with input from the ecosystem, enhancing developer experiences by standardizing an interface for web wallets to use when interacting with other codebases. This aims to lower the effort required going forward for dapps to add support for new wallets.
- Throughput increased to 50 Soroban transactions per ledger.
- Ecosystem calls were held consistently to hear and address developer feedback on an ongoing basis, with consistent call attendance. Helpful building blocks were demoed to devs to ease development efforts.

DEVELOPER EXPERIENCE

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

The objectives this quarter were to streamline Stellar and Soroban developer documentation, improve developer wayfinding, and increase community collaboration. We also focused on improving CLI features, and enhancing the Soroban RPC with more useful data. The following activities were completed:

- Merged [official Developer Docs](#) for Stellar and Soroban into a unified set with better structure, content, and wayfinding.
- Added CLI features, including simulate, build, sign, send, and ledger hardware wallet integration.
- Released significant RPC such as [getFeeStats](#), [getTransactions](#), and [getVersionInfo](#).
- Launched the Discord bot Stella in beta, which is actively used by the community to learn about Stellar.
- Kicked off Developer Documentation bounty program with contributions from the community.
- Established a framework for fees and improved fee visibility in developer docs and RPC.

The results of these activities were as follows:

- Developers in our ecosystem rated developer experience with a 79% net promoter score.
- The enhanced developer tools in the Stellar ecosystem help attract and retain new builders, enabling them to build quickly and effectively on Stellar.

04.

**NORTH STAR 2:
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 support new asset issuances, expand growth of existing assets, and increase the user based for tokenized assets on Stellar.

HIGHLIGHTS

- WisdomTree expanded [access](#) to assets, making their retail financial app, WisdomTree Prime, available in 41 states representing 75% of the U.S. population. A new [case study](#) explains how they are opening up mainstream access to tokenized assets and addressing the problem of increasingly fragmented payment platforms as tokenization continues to boom. With WisdomTree Prime, they are providing customers with a unified platform to seamlessly integrate their fiat and digital payments, savings, and investment assets into one application, allowing customers to better manage their daily financial lives.
- [GMO-Z.com Trust Company](#) announced the listing of VEUR, VCHF, ZUSD, and GYEN stablecoins on [Bitstamp](#), enhancing the flexibility of trading opportunities and access to digital assets.
- Longtime ecosystem partner Circle's [MICA approval](#) now allows us to work on accelerating adoption of EURC in Europe.
- We have seen continued stable and consistent growth of USDC on Stellar, with significant volume coming from Airtm in Q2.



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 increase the number of live wallets and ramps in key markets, increase the number of live wallets integrated with Stellar anchors, and continued support for MoneyGram Access.

Bringing new integrations to wallets means more available use cases and options for the end user and higher usage of these products.

HIGHLIGHTS

- On-chain activity showed over 220,000 new users on general use wallets, and 190,000 monthly active users.
- MoneyGram Access celebrated [2 years](#) of expanding access to the digital economy. 30+ wallets have integrated or are in the pipeline thus far.
- Announced the new [passkey](#) feature on Stellar, designed to provide a familiar and secure user experience in the decentralized world of Web3 smart wallets.



PRODUCT UPDATES: AID & DISBURSEMENTS

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

This quarter, the priorities 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

- The team completed multitennancy work on SDP last quarter to enable providers to offer it as a service to their customers, and in Q2 released SDP multitennancy V2. The team also added a new custody option (Circle Custody Payouts). The addition of multitennancy and Circle custody provide more support for more organizations looking at disbursements.
- SDP continues to benefit people in need around the world, with 900 SDP payments made and over 1,800 new SDP recipients. Growth in the volume and recipients of disbursements is a good indicator of product fit as we continue to iterate on new features.

PRODUCT UPDATES: VIBRANT



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

This quarter, Vibrant focused on acquiring more users, maintaining and expanding Vibrant Assist to other countries, and supporting building out an open sourced wallet backend that can be leveraged by other wallets on Stellar.

HIGHLIGHTS

Some achievements in Q2 include:

- Launched a [new home screen](#).
- Launched and active Vibrant_Latam Telegram.
- Launched 7 marketing campaigns to acquire new users and improve retention.
- Built + launched new bill pay feature.
- Published the [open-source wallet backend project](#), an initiative to bring proprietary backend code out in the open.

KEY OUTPUTS

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

- New home screen drove a 10x improvement in conversion from account created to first deposit.
- Over 1,000 users joined the Vibrant Telegram community in Argentina, providing another direct channel for feedback.
- Now with the bill pay feature, Vibrant users in Argentina can pay over 5,000 billers with USDC (including credit cards, phone, internet, gas, water, electric, and taxes).

In [year-over-year growth](#), Vibrant experienced a 282% increase in monthly active users globally. Monthly transactions, which include inflows, outflows, and asset swaps, grew 186%. Adoption is being led by countries with high inflation rates. Argentina has the highest rate of Vibrant users globally, where blockchain technology proves particularly effective in the macroeconomic environment. While high inflation is a well-known issue in the country, Vibrant's success is primarily driven by its user-centric approach and local partnerships which allows for a seamless user experience, enabling users to easily move funds from traditional banks as well as local wallets like Mercado Pago. Colombia, Nicaragua, Mexico, Paraguay, and El Salvador show strong adoption.

FUNDING UPDATES

Q2 Enterprise Fund Investments

SDF made a \$3.75 million investment in a leading Colombian fintech that has built an extensive network of on/off ramps across the country.

SDF made a \$1.25 million investment in Aku Fintech, a payments-led fintech company dedicated to leveraging innovative technology to drive financial inclusion and payments. They are a Tier 2 Unit Microfinance Bank licensed by the Central Bank of Nigeria.

SDF made a \$200,000 investment in Etherfuse, a fintech company introducing “stablebonds”, a financial asset that marries traditional bonds with blockchain technology.

SDF is collaborating with [Draper University](#) to bring tailored support and mentorship to some of the most promising founders in web3 building on Stellar.

Enterprise Investment of

\$7.6M

FUNDING UPDATES

Q2 Matching Fund Investments

SDF made an investment into HiYield, a full-stack tokenization platform, providing liquidity for both traditional finance and web3 on-chain borrowers.

This investment aims to bring network benefits and growth through the use of USDC on Stellar as the on-chain transaction medium, and grow the TVL of tokenized assets on Stellar.

Enterprise Investment of

\$200K

05.

**NORTH STAR 3:
Trustworthy
technology stack
advances adoption**

PRIORITIZE SAFETY FOR SOROBAN

Fostering a secure smart contract ecosystem

This quarter, SDF has focused on the technical capabilities and third party services necessary to establish Soroban as a leader in safety.

OBJECTIVES

- 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

- The [Soroban Security Audit Bank](#) is active and distributing up to 1 million dollars in security audit credits in coordination with six top-tier audit firms.
- 7 Audits (and re-audits) were completed.
- 1 research proposal was approved last quarter.

MARKETING HIGHLIGHTS

Drive awareness & engagement of the Soroban smart contracts launch, and interest in why Stellar is great for tokenization.

These are some of the highlights:

- Spring conference circuit was headlined by [Paris Blockchain Week Summit](#), which included keynotes and talks by Denelle Dixon, Tomer Weller, Paul Wong, and Daniel Casanas.
- At [CoinDesk's Consensus](#), we teamed up with EasyA for a hackathon that drew hundreds of developers, and talks by SDF engineers and ecosystem members including Beans, Blend, and Glo Dollar at the Protocol Village stage.
- See our full slate of [events from Q2 here](#).
- Up next: [Meridian](#) is headed to London from October 15-17. Tickets are on [sale!](#) Don't miss your chance to take advantage of early bird pricing until August 15.
- Tokenization products saw some key wins and coverage in Q2. [WisdomTree](#) announced that their retail financial app, WisdomTree Prime, is available in 41 states representing 75% of the U.S. population. The Stellar network supports the tokenization of 13 digital funds and a Gold token on the app which utilizes Stellar-enabled wallets.
- [Taurus](#), a global leading digital asset infrastructure provider, announced that its custody platform, Taurus-PROTECT, and its digital issuance and tokenization platform, Taurus-CAPITAL, are now available on Stellar.

Paris Blockchain
Week Summit



Consensus



STELLAR IN THE NEWS

News Coverage

CNBC Crypto World

APRIL 10, 2024

[Stellar's Denelle Dixon explains what the rollout of smart contracts means for the network](#)

- [There's no reason to fear open platforms](#) | Blockworks
- [Franklin Templeton Upgrades \\$380M Tokenized Treasury Fund to Enable Peer-to-Peer Transfers](#) | CoinDesk
- [The time for US stablecoin regulation is now](#) | Blockworks
- [Deutsche Bank-backed Taurus expands digital asset custody, issuance offerings to Stellar](#) | The Block

Quarterly Report

POLICY UPDATES

Both domestically and internationally, SDF continues to engage with key policymakers, non-governmental organizations, central banks, and leading interest groups to shape digital asset policy across the globe.

Our ongoing objectives are to strengthen SDF's voice in the policy forum as a thought leader in blockchain and its intersection with relevant spheres, including traditional finance, humanitarian aid, and regulation.

HIGHLIGHTS

- SDF recently [joined](#) industry counterparts in signing onto a letter voicing support for the core principles behind the bipartisan Financial Innovation and Technology for the 21st Century Act (FIT21)--a united front from the industry and a pragmatic step forward.
- CEO and Executive Director, Denelle Dixon, participated in a [crypto leaders roundtable](#) with US lawmakers, representing the dynamic community of builders on Stellar who are making a difference in people's everyday financial lives.
- The team made the work of the Stellar ecosystem known at key events throughout the quarter, including the Princeton Decenter Annual Conference, Atlantic Council roundtable during IMF/World Bank Spring Meetings, FT Live: Crypto and Digital Assets Summit, EthDC, DC Blockchain Summit, Equitable Tech Summit, and PwC risk roundtable.
- SDF had speaking slots at all events and led several high-profile conversations, such as:
 - Roundtable on post-war reconstruction in Ukraine with the Atlantic Council
 - Panel on digital assets at FT Live to discuss public blockchains and open systems
 - Interview with Federal Reserve Gov. Bowman at DC Blockchain Summit
- Chief Legal Officer, Candace Kelly, made a podcast appearance on American Enterprise Institute's "[Explain to Shane](#)".

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 Q2 of 2024.

MANDATE & DISTRIBUTION

Lumen Distribution | April 2024 - June 2024¹

Mandate Category	Wallet	Amount	Uses
Direct Development	Various	259,807,158	SDF Operations, Employee Grants
Ecosystem Support	Currency Support	3,350,367	AirTM, VNX Commodities, StableCoin Standard, Settle, Bitstamp
	Developer Support	68,539,507	SCF, Infrastructure Grants, Certora, Validation Cloud, Script 3, Augusta University, Coinspect, Vendor Payments
User Acquisition	Enterprise Fund	56,651,865	PuntoRed, Aku Fintech, Draper University, DCM Corp, Etherfuse, Lydia Labs, Techstars Central
	Marketing Support	2,004,957	BP Ventures, Vendor payments
Use-Case Investment	In-app Distribution	0	
	New Products	0	

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 July 1, 2024

Mandate Category	Wallet	Amount
Direct Development	Direct Development	3,849,132,776
	Jan 1 2021 Escrow	0
	Jan 1 2022 Escrow	0
	Jan 1 2023 Escrow	0
	Direct Development Hot Wallets ²	384,974,652
Ecosystem Support	Developer Support	387,265,701
	Developer Support Hot Wallet	98,448,094
	Currency Support	848,758,307
Use-Case Investment	New Products	1,563,903,518
	Enterprise Fund	7,400,062,776
Use-Case Acquisition	In-app Distribution	3,856,599,180
	In-app Distribution (Hot)	83,403,149
	Marketing Support	1,976,997,408

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?tag1=sdf>) or on the SDF Mandate Page (<https://www.stellar.org/foundation/mandate>).



NEXT REPORT: Q3 IN OCT 2024



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