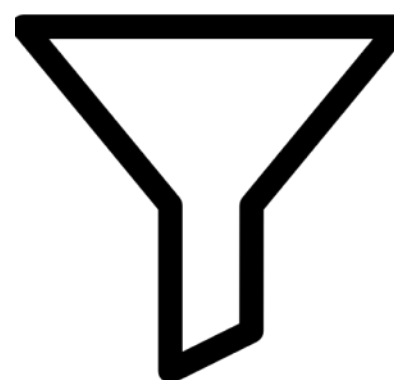
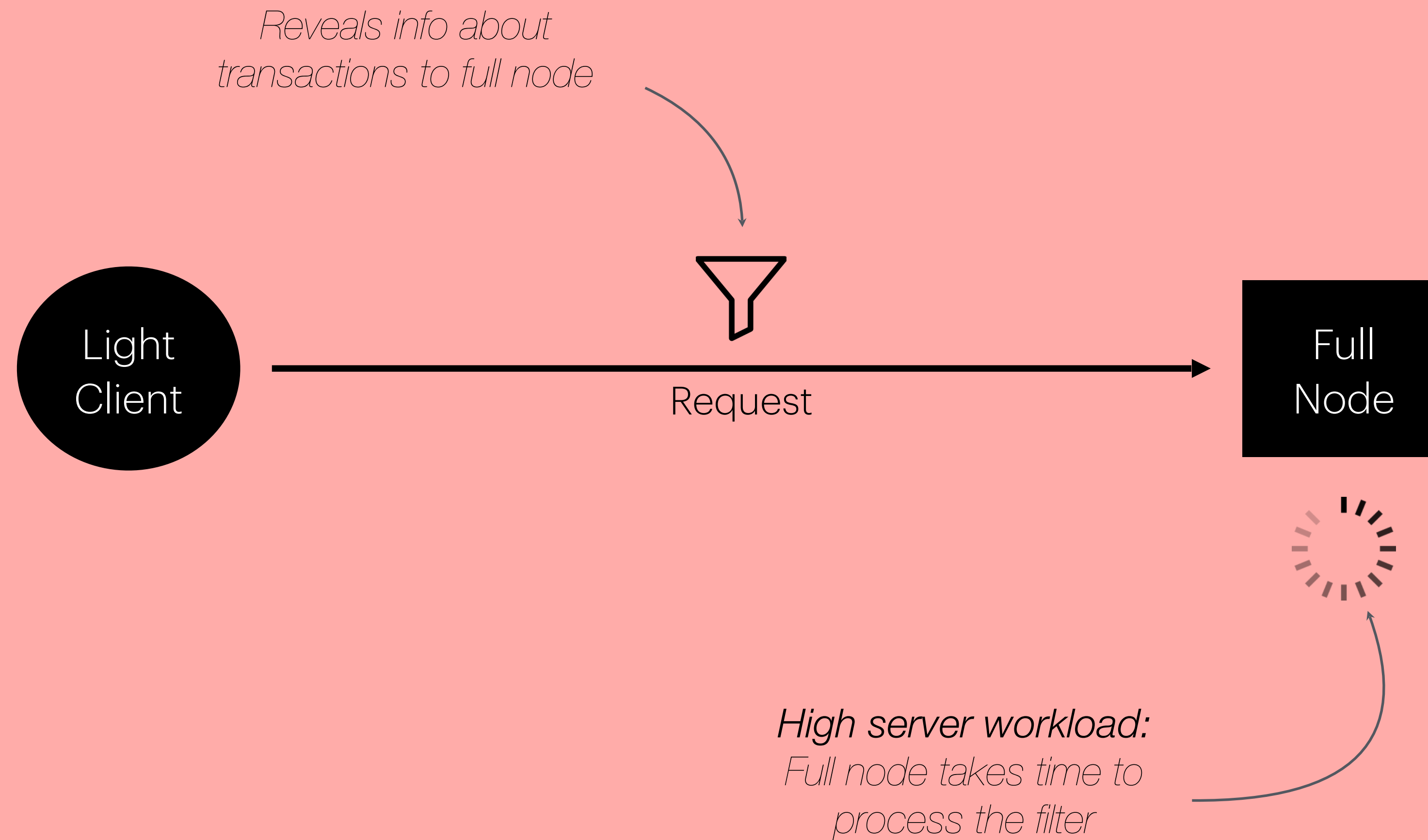


BIP 158 Compact Block Filter

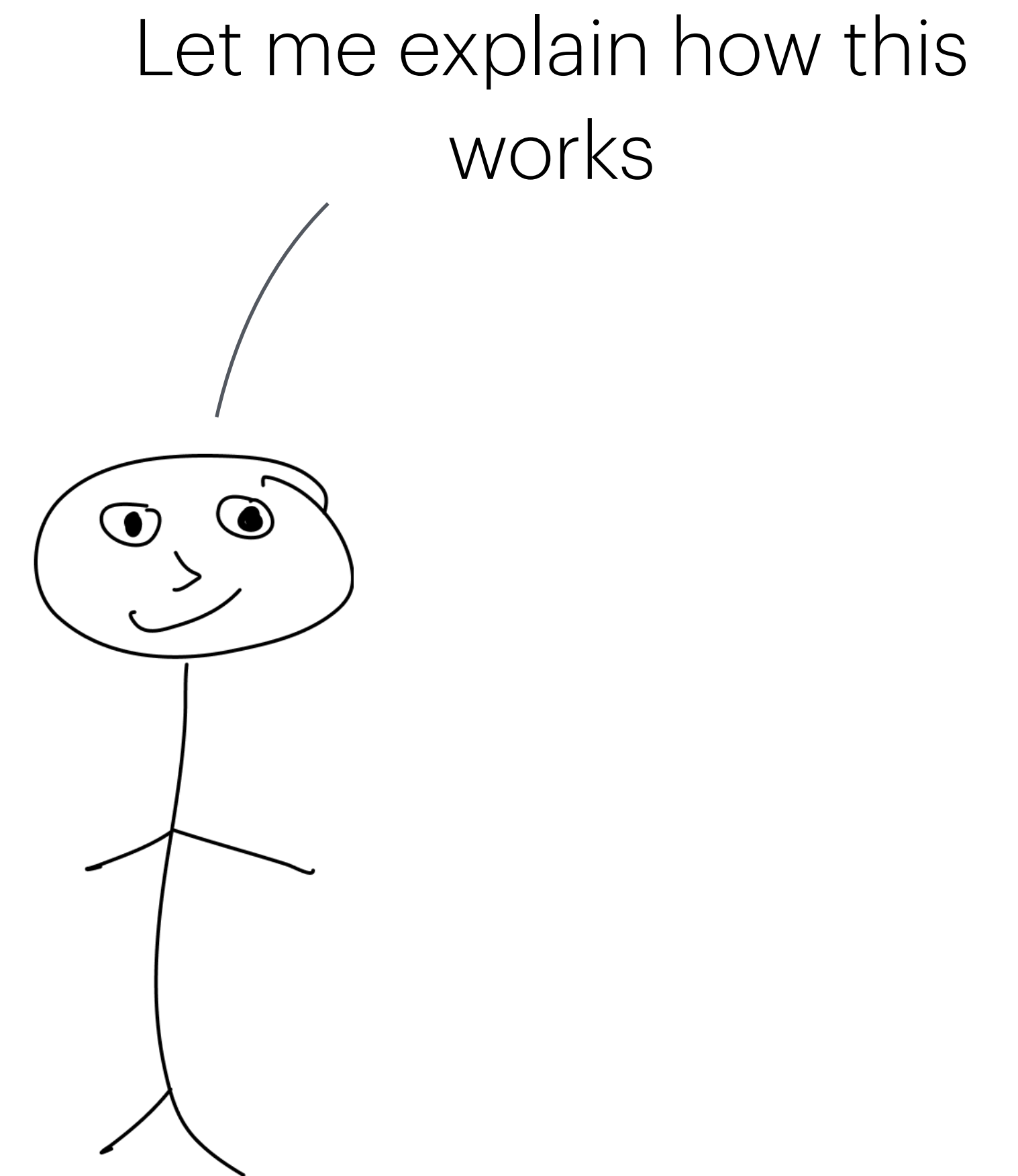
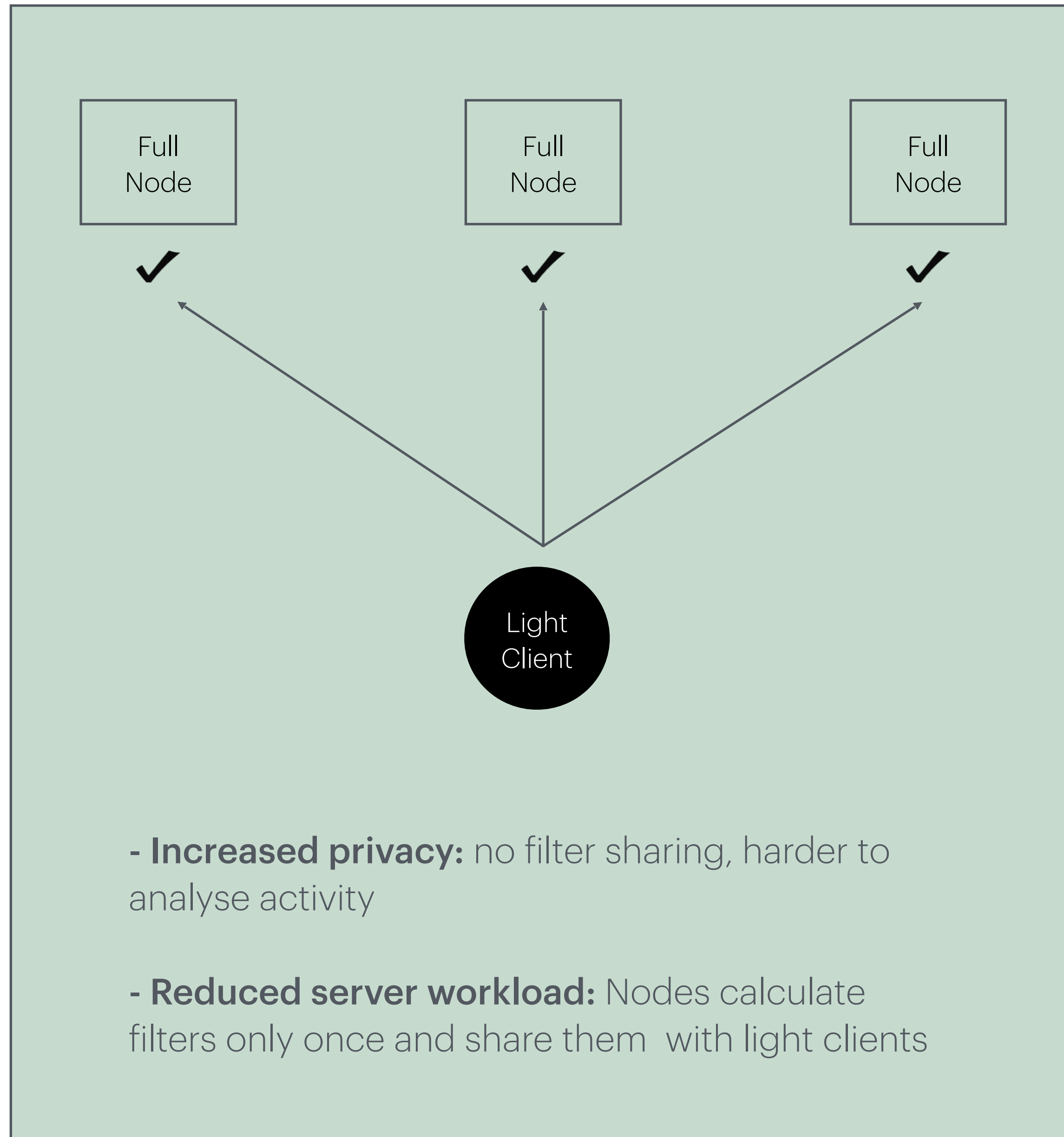


Before BIP 158, Bitcoin light clients used **Bloom filters** (BIP 37) to detect relevant transactions.

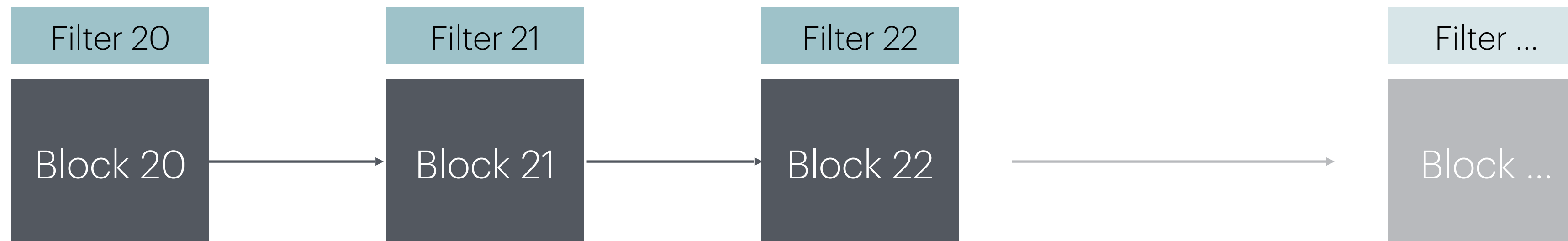
However Bloom filters had privacy and trust issues



Compact block filters fixes this

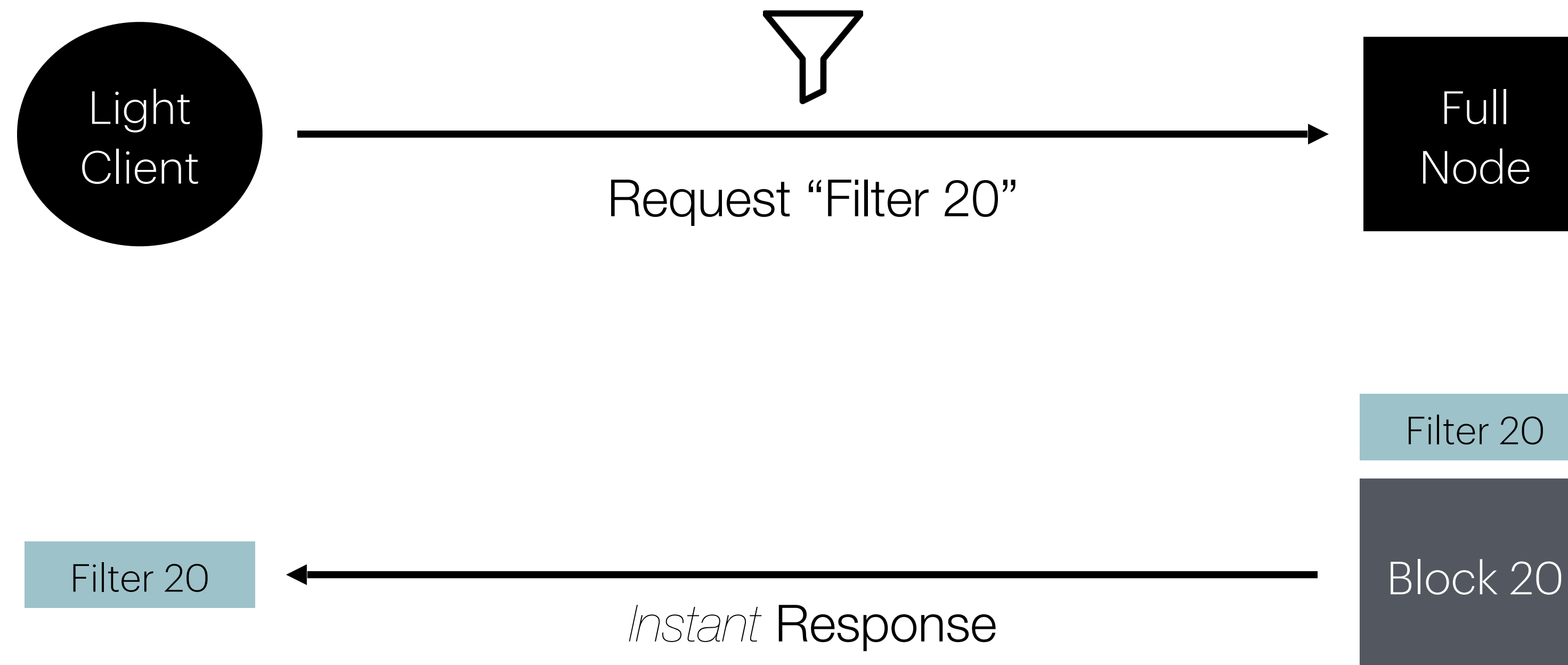


The full node will for each block construct a deterministic filter that includes all the objects* in the block.

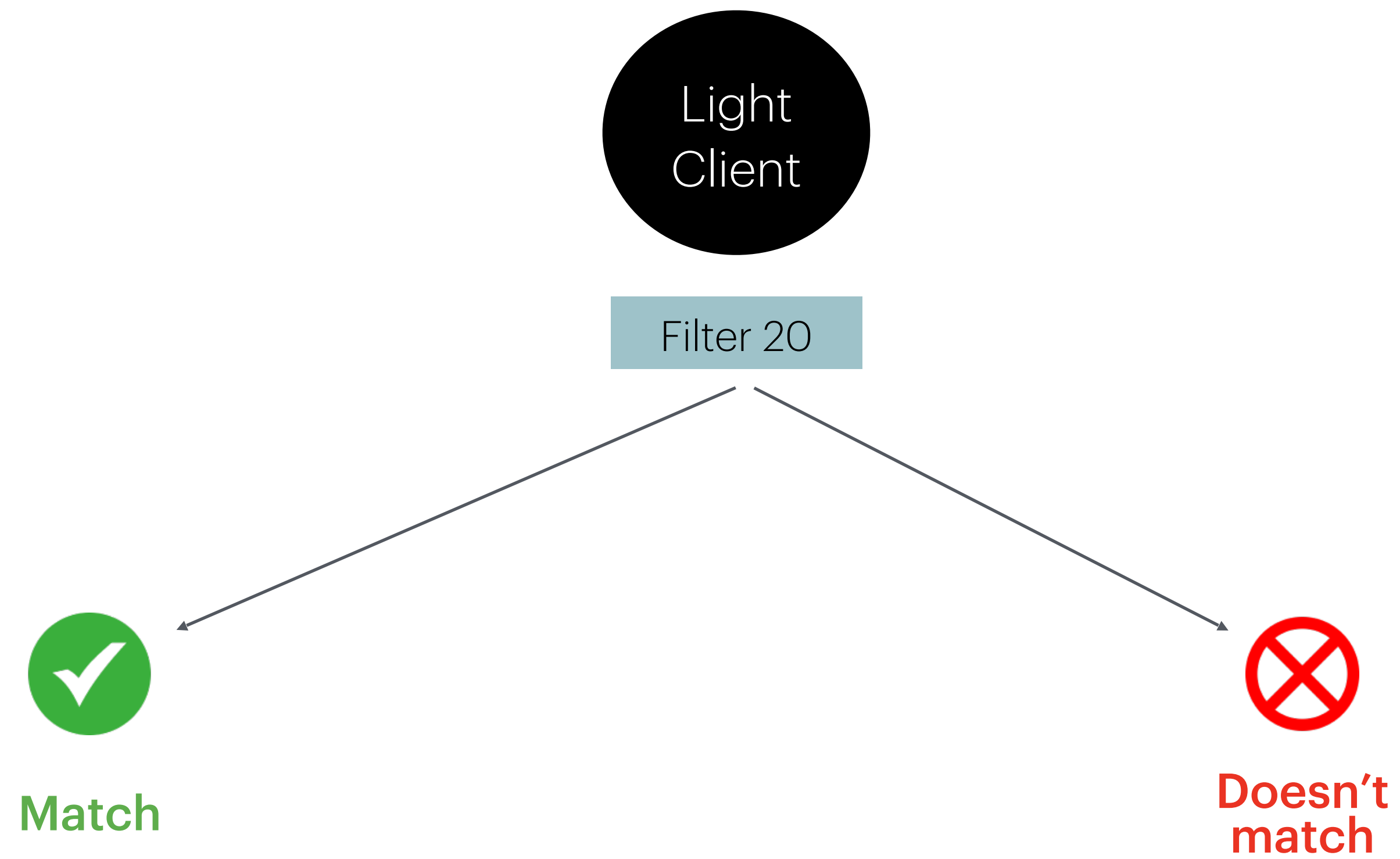


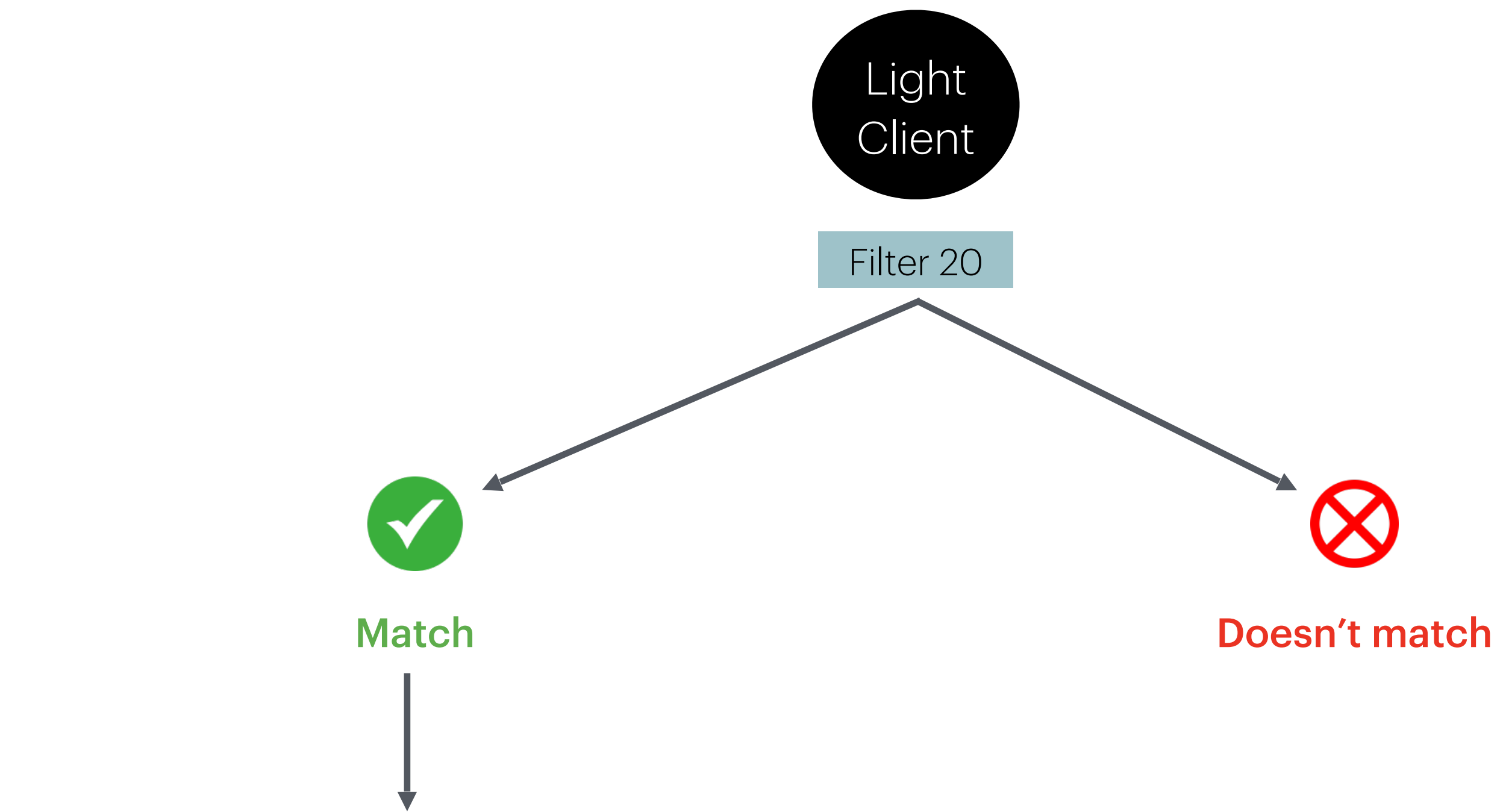
**objects = all txs scriptPubKey*

If light clients request a filter for a block 20
server won't have to do any more work, **just deliver**

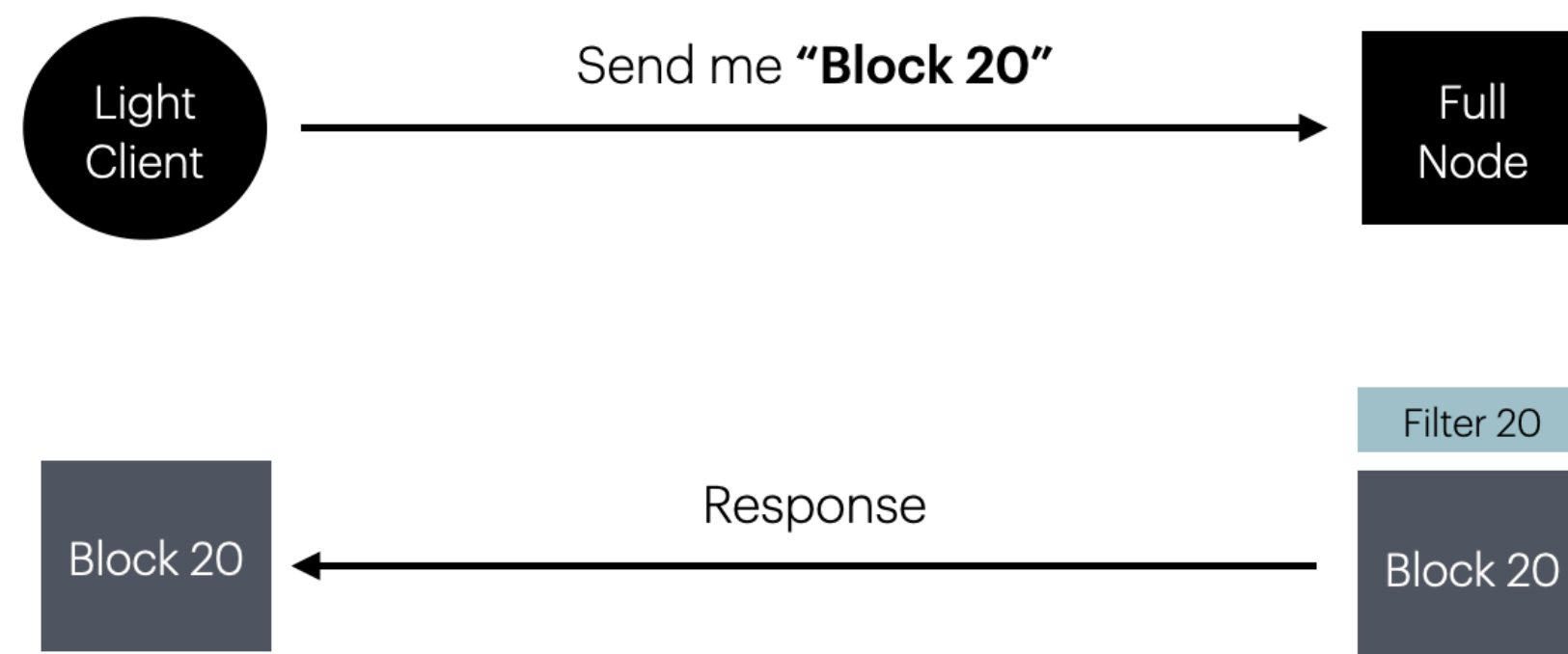


Then Light client checks if any of its objects match what is seen in the filter



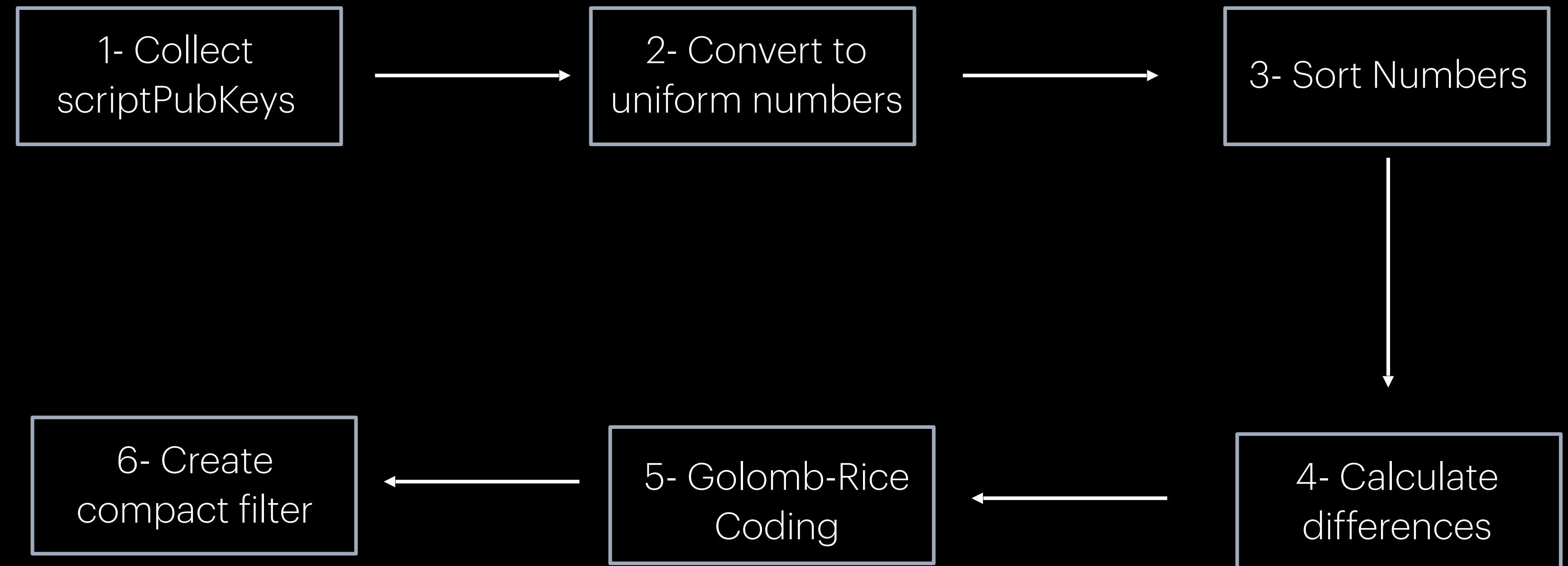


If **match**, then the light client asks for the full block

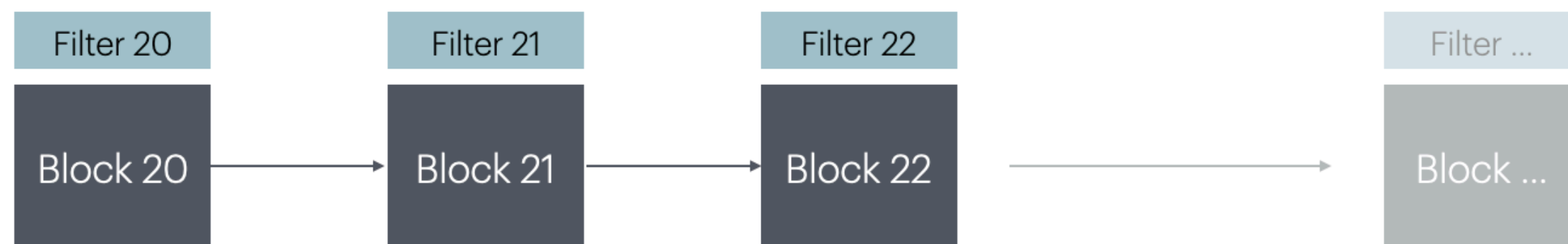


How to create **Filter** ?

Filter Creation Steps



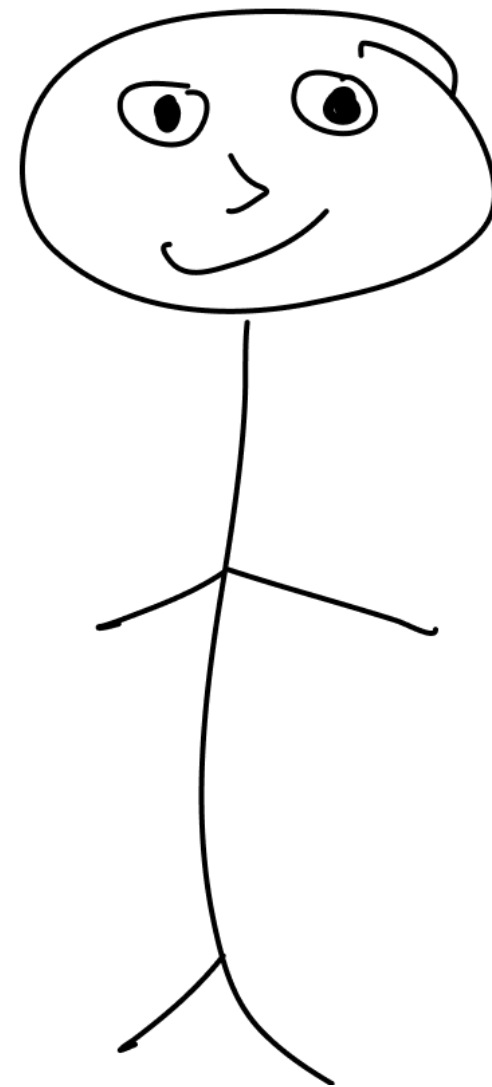
Full nodes create a deterministic filter for each block.



Light clients download these compact filters to check if a specific Tx inside a block.



Let's see how full node
create these Filters



Suppose we have a new block with 3 Txs

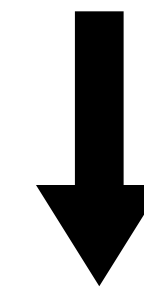
Tx1: A \longrightarrow 1 *BTC* to B

Tx2: C \longrightarrow 0.5 *BTC* to D

Tx3: E \longrightarrow 2 *BTC* to F

Step 1:

For each Tx, we create set of objects
(scriptPubKeys) involved in the inputs
and outputs in the filter



```
objects = {1A, 1B, 0C, 0D, 2E, 2F} // List of N scriptPubKeys.
```

Technically we could just stop here and say
this list of scriptPubKeys is our filter

```
objects = {1A, 1B, 0C, 0D, 2E, 2F} // List of N scriptPubKeys.
```

With this list a light client could tell if something they are
interested in is in the block

But it is still pretty big

Let's make it compact =>

Step 2: Mapping objects to numbers

STEP 2:

Mapping objects to numbers

We'll map each object to a number uniformly distributed in a range, e.g., [0, 35].

```
objects = {1A, 1B, 0C, 0D, 2E, 2F} // List of N scriptPubKeys.
```

Function () to turn Object to Number

```
mapped_numbers = {3, 7, 15, 19, 28, 34}
```

STEP 2: Mapping objects to numbers

That's great !

We have drastically decreased the size of our objects .
Each one has a number now.

```
mapped_numbers = {3, 7, 15, 19, 28, 34}
```

This is our new filter



STEP 2:

Mapping objects
to numbers

We could stop here... but we can compress this even
further!!

Step 3: Storing differences between numbers

Step 3:

Storing differences
between numbers

Instead of storing the numbers, we store the
differences between successive numbers

```
mapped_numbers = {3, 7, 15, 19, 28, 34}
```



```
differences = {3, 4, 8, 4, 9, 6}
```

Step 3:

Storing differences
between numbers

As you can gather, storing the number **34** requires
way more bits than storing the number **6**

```
mapped_numbers = {3, 7, 15, 19, 28, 34}
```



```
differences = {3, 4, 8, 4, 9, 6}
```

Step 3:

Storing differences
between numbers

But why stop there? We can compress this even further!

Step 4: Golomb-Rice encoding

Step 4:
Golomb-Rice
encoding

To compress further.

For each number in the list of differences, we calculate:

Quotient = $\text{number} // M$

Remainder = $\text{number} \% M$

Let's assume $M = 4$:

```
differences = {3, 4, 8, 4, 9, 6}
```

Step 4/1:

Calculate
Quotients &
Remainders

Let's calculate **quotients** and **remainders**

```
differences = {3, 4, 8, 4, 9, 6}
```

| Number | Quotient = number // 4 | Remainder = number % 4 |
|--------|------------------------|------------------------|
| 3 | 0 | 3 |
| 4 | 1 | 0 |
| 8 | 2 | 0 |
| 4 | 1 | 0 |
| 9 | 2 | 1 |
| 6 | 1 | 2 |

Step 4/2:

Encode Quotients

Encode quotients using **unary coding**

| Number | Quotient | Quotient Encoded |
|----------|----------|------------------|
| 3 | 0 | 0 |
| 4 | 1 | 10 |
| 8 | 2 | 110 |
| 4 | 1 | 10 |
| 9 | 2 | 110 |
| 6 | 1 | 10 |

Step 4/2:

Encode
Remainders

Encode remainders using **binary representation**

| Number | Remainder | Remainder Encoded |
|----------|-----------|-------------------|
| 3 | 3 | 11 |
| 4 | 0 | 00 |
| 8 | 0 | 00 |
| 4 | 0 | 00 |
| 9 | 1 | 01 |
| 6 | 2 | 10 |

Step 4/3:
Concatenation

Concatenate encoded quotients and remainders:

| Number | Quotient Encoded | Remainder Encoded | Concatenation |
|--------|------------------|-------------------|---------------|
| 3 | 0 | 11 | 011 |
| 4 | 10 | 00 | 1000 |
| 8 | 110 | 00 | 11000 |
| 4 | 10 | 00 | 1000 |
| 9 | 110 | 01 | 11001 |
| 6 | 10 | 10 | 1010 |

Step 4/4: Concatenation

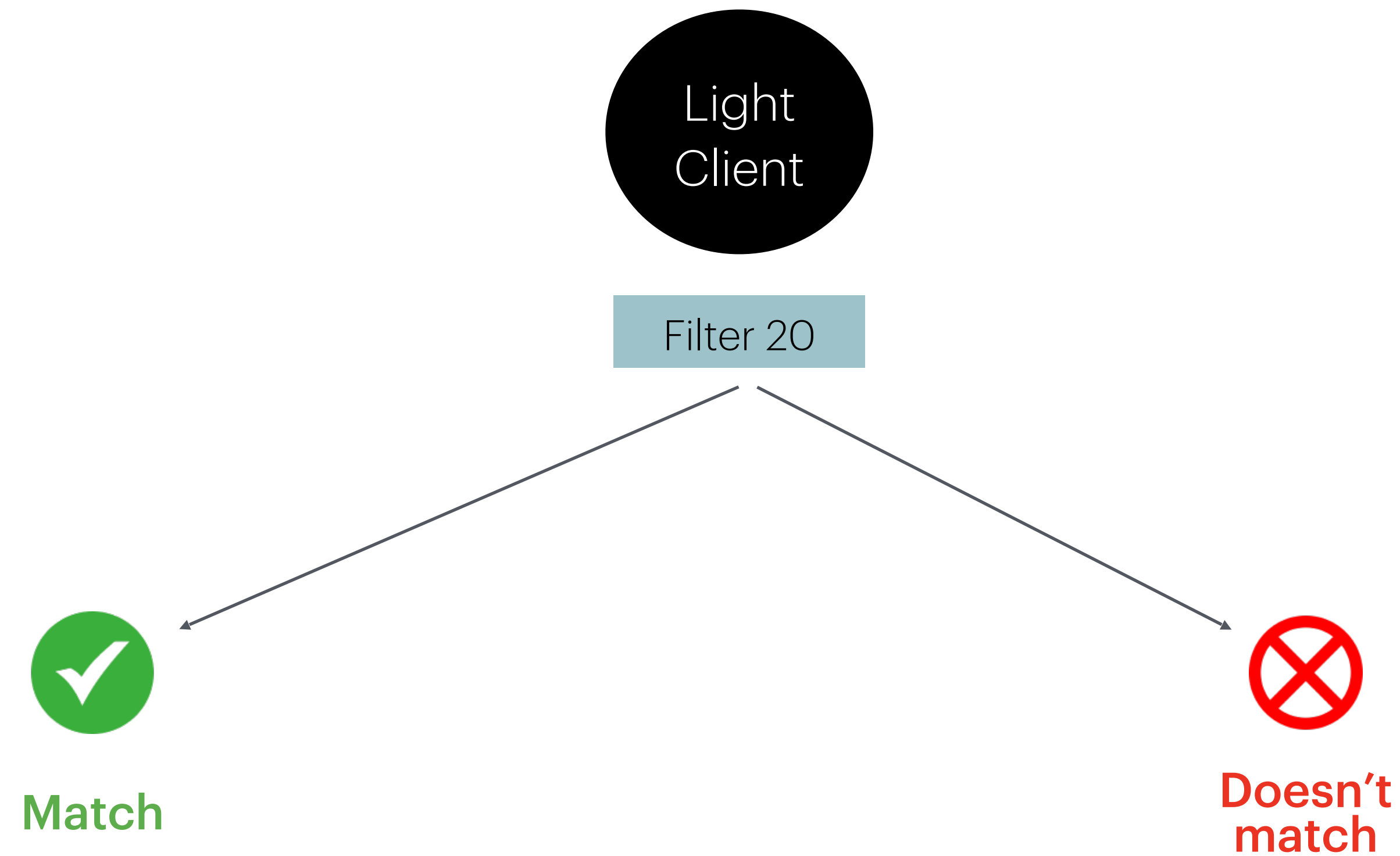
| Concatenation |
|---------------|
| 011 |
| 1000 |
| 11000 |
| 1000 |
| 11001 |
| 1010 |



Now our final filter becomes

```
encoded_filter = "011 1000 11000 1000 11001 1010"
```

The light client requests this filter from the full node.



After receiving it, the client **decodes** it and checks if any of its objects (addresses) **match** the filter.

If there's a match, the light client requests the full block to verify and process the relevant transaction

(e.g., a payment received or sent).

