Gold futures fell more than $100 on Wednesday, one of the steepest falls ever, as strong U.S. economic data and expectations of more Federal Reserve stimulus accelerated profit taking from the safe-haven record high of a day ago.

Selling spiraled out of control as money managers competed to liquidate positions in COMEX futures, which experienced their biggest single-day dollar loss since 1980. Volume looked like a record.

The price of gold bullion is now more than $150 below Tuesday's all time high of $1,911.46 an ounce, downed by intense speculation about whether the Fed will announce new plans to ease monetary policy at a meeting late this week.

Analysts said it was time for gold investors to take money off the table after the rally extended too far, too fast in recent weeks.

Bullion rose as much as $400 since July.

"You have a commodity that retail investors, hedge funds and everybody were long, and the technical indicators showed it was overbought. It was just a matter of time before the market starts cracking," said Mihir Dange, COMEX gold options floor trader for Arbitrage LLC.

Spot gold was down 4.1 percent to $1,754.59 an ounce by 3:37 p.m. EDT, off its session low of $1,749.39.

Before gold began recoiling Tuesday from above $1,900, it had risen nearly 9 percent over six sessions.

U.S. gold futures for December delivery settled down $104 at $1,757.30 an ounce. Reuters data showed that is the biggest price drop of the continuous, front-month contract since January 22, 1980, when it tumbled almost $150.

On a percentage basis, it was the steepest fall since December 2008, during the financial crisis.

COMEX futures volume topped 430,000 lots, on pace to surpass a record from August 9, preliminary Reuters data showed.

Silver dropped 5.9 percent to $39.34 an ounce.

Gold came under pressure after steadying overnight, after a report showing new orders for U.S. durable goods orders rose 4 percent in July, more than expected and offering hope the ailing economy could dodge a second recession.

Analysts warned of a sharp correction from this month's rally was possible, especially if Friday's central bank meeting at Jackson Hole, Wyoming does not result in a Fed announcement of a third round of government bond buying, or quantitative easing, also known as QE3.

"The correction really should be taking place now, because of all the (bets) on the table," said Ashok Shah, chief investment officer at London & Capital.

"But the journey is not complete until Jackson Hole is done," Shah said.

The Fed conference starts on Thursday.

On the options front, the spread between the 25-day implied volatility of COMEX gold and that of put options has narrowed since Monday, a sign that gold option investors were turning bearish.

The CBOE gold volatility index .GVX is near at its highest since April 2009.

The CME Group (CME.O) said late Wednesday it would raise maintenance margins for trading COMEX 100-ounce gold futures by 27 percent, after the close of business on Aug 25.

The Shanghai Gold Exchange and Hong Kong Mercantile Exchange had raised margins on some of gold contracts this month.

Holdings of the SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell by nearly 25 tonnes on Tuesday, their biggest one-day outflow since January 25.

Spot platinum dropped 2.8 percent to $1,805.49 an ounce, and palladium was down 1.5 percent at $745.28 an ounce.

(Editing by Alden Bentley)